

Can the effects of colonial trade be seen in Côte D'Ivoire's and Ghana  
trade statistics during 1962-1982?

Joensuun yliopisto  
Yhteiskunta- ja aluetieteiden  
tiedekunta  
Historian oppiaineryhmä  
Yleisen historian Pro gradu  
-tutkielma  
Toukokuu 2008  
Antti Parkkinen

1.	Introduction .....	3
1.1.	The shadow of colonialism .....	3
1.2.	Delineation of the study .....	4
1.3.	Problem framework and sources of information .....	5
1.4.	Preceding studies .....	11
2.	Côte D'Ivoire's and Ghana's political economic context .....	15
2.1.	Introduction .....	15
2.2.	Ghana .....	17
2.3.	Côte D'Ivoire .....	24
2.4.	Summary .....	31
3.	Trade relations between the European Community and the developing world .....	32
3.1.	The birth of the EEC 1957 and the Yaoundé Conventions 1963 - 1974 .....	32
3.2.	Lomé I and II 1976 - 1985 .....	33
3.3.	Summary .....	35
4.	The effects of colonial trade .....	36
4.1.	Colonial economy .....	36
4.2.	Summary .....	39
4.3.	The effects of colonialism in Côte D'Ivoire and Ghana .....	40
5.	Conclusive words .....	56
6.	References .....	58
7.	Appendix .....	

## 1. Introduction

### 1.1. The shadow of colonialism

At the time of their independence, Côte D'Ivoire and Ghana were very different from other West African countries at the time. Both had leaders with previous political experience<sup>1</sup> and the countries were economically some of the richest in Africa<sup>2</sup>. However by the end of the 21<sup>st</sup> century, both Côte D'Ivoire and Ghana had gone through coups and were struggling with economical problems<sup>3</sup>.

The effects of colonialism have been widely studied among scholars. The conventional view has been that the effects of colonialism were universally bad and the benefits of trade were incidental. Theory of underdevelopment, growth without development, was adapted by neo-Marxist scholars Walter Rodney and Samir Amin in early 1970s. For them European colonialism represented the destroyer of the native viability of African societies and their capacity for sustained development. Colonial trade was perceived as exploiting African resources for the benefit of the developed world. The theory of underdevelopment was challenged in the early 1980s by scholars who interpreted colonialism's impact on African nations as positive. Bill Warren was a neo-Marxist scholar who pointed out that even if the aim of colonialism was to benefit the economic growth in the west, it wasn't possible without considering the welfare of the colonial population. Warren saw the development of health, education and new types of consumer goods favorable for expanding the colonies' productive forces and therefore, according to Warren, the colonial era was seen far from initiating a reinforcing process of underdevelopment and more as the launcher of the process of development<sup>4</sup>. The theories presented above represent the extreme ends of studies

---

<sup>1</sup> Fieldhouse 1999, p.296

<sup>2</sup> See chapter 2 Côte D'Ivoire's and Ghana's political economic context

<sup>3</sup> More information of today development in Côte D'Ivoire and Ghana see United State's Department of State website: <http://www.state.gov/countries/>

<sup>4</sup> Warren 1980, p.129

of the effects of colonialism and need to be critically examined. The problem with these types of theories is that they tend to have a political bias and they lack reliable statistical evidence supporting the theories. However, one should not neglect the theories of the effects of colonialism because of the weaknesses, but, rather, be aware of them. Therefore, the effects of colonialism need to be examined in the light of reliable statistical evidence.

## **1.2. Delineation of the study**

Due to their similarities I have selected Côte D'Ivoire and Ghana to be the countries in focus. During the colonial era both were part of the two biggest colonial empires, Côte D'Ivoire in the French West African Empire and Ghana under the British Crown Colony. Both countries also share a number of the same natural resources and have similar geographical and population structure with a rich and fertile south and a poor and arid north. Same cash-crops were introduced for export production during colonial times in both Côte D'Ivoire and Ghana by their European conquerors, and by the time of their independence both countries were among the richest countries in West Africa. Côte D'Ivoire and Ghana were also the only ones to have leaders with previous political experience.<sup>5</sup> Due to their similarities I can compare Côte D'Ivoire and Ghana.

Comparison can be made on two levels. First, one can compare Côte D'Ivoire and Ghana as representatives of French and British colonialism and second, as independent African countries with several similarities. As there are only two countries to evaluate it provides for a more in depth approach to Côte D'Ivoire's and Ghana's relations to their colonial mother countries before and after independence and also to the fluctuations in political and economical development. Seeing if the foreign relations have affected the economical and political development should help in answering the main agenda.

---

<sup>5</sup> Fieldhouse 1999, p.296

The reason why this study begins from the year 1962 is principally determined by the main source of information. No data from the previous years is available from the United Nations database Comtrade. The academic objective in this study is not to compare different databases and their data, but rather to get as veracious answer to the main agenda as possible. Various methods of gathering data and several different customs nomenclature were common in international trade before the 1960s, which made international comparability difficult<sup>6</sup> as coherent methods of gathering and publishing data were not used. By using only one main source of information one can overrule the flaws of the data prior to 1962. Also by 1962 both of the countries in focus had gone through their first years of independence. These were often labile times in countries rising from the colonial system, which normally affects the data availability and its trustworthiness. When using only one main source of statistical information, one has a better chance acknowledging its faults and benefits and to use that knowledge as a filter when processing the data. To take another source of statistical information in order to start the study earlier would have added up the number of methods used for gathering and publishing the data. This would have constrained the comparison of sources as more information about the sources themselves would have had to be acknowledged and presented before making any conclusions. Using various different sources of statistical information would have jeopardized answering the main objective and most likely reduced the coherency and trustworthiness of this study. I will end this study in 1982 due the nature of this study. I also believe a twenty-year period to be sufficient in seeking answer to the main agenda.

### **1.3. Problem framework and sources of information**

Colonialism greatly influenced African countries by reshaping them on political, economic and social level. This reshaping gave new nations new boundaries and infrastructure and introduced new European languages. The academic objective of this study is to answer; can the effects of

---

<sup>6</sup> United Nations 1961, p.v

colonial trade be seen in Côte D'Ivoire's and Ghana's trade statistics after their independence? I will approach the question from Côte D'Ivoire's and Ghana's viewpoint.

In this study colonial trade means the trade between the mother countries and their colonies only after establishment of effective foreign rule. In Côte D'Ivoire's and Ghana's case this means the time from the late 19<sup>th</sup> century to the time of their independence. In aspiring for the answer I will deal with four themes. First, I will create an insight to the countries' relations with their mother countries before and after independence to see how they relate to the countries' economic and political development. I have tried to seek authors that have approached the matter in an objective enough matter. Second, I will make an insight to the trade relations between the European Economic Community (EEC) and the developing world on a contractual level. The problem that may arise here is the viewpoint to the matter. Even though I would like to reflect the ideas and feelings of the developing world, I do not have access to books that have been written from their point of view. The books I'm using are either publications of the European community or papers of European scholars and though these have a highly critical and objective approach to the matter, I don't see them reflecting enough the thoughts of the developing world. Third, I will view the ideas of selected scholars on the effects of colonial economy and trade. My accessibility to the books has been the main influence when selecting the scholars. Nevertheless, I don't see this confining my study. I believe the number of theories used here to be sufficient to reflect the different points of view of the effects of colonial economy. My goal is not to declare one given truth but to make the reader think and realize that the subject of colonial economy can be examined from various different points of view. Finally, I will use various trade statistics from the given time frame to see how they affiliate with the previous themes. First and foremost, the trade statistics are the main source in seeking an answer to the main agenda.

As colonialism is such a massive institution to examine, I will mainly concentrate on its economical aspects. My main interest is trade and trade products between the colonies and mother countries and actions that contribute to this theme. It is good to keep in mind that no two colonies were alike and that different imperial powers followed different imperial strategies, so one must not make any generalizations<sup>7</sup>. This study doesn't aim to solve Africa's debt problem or to pro-

---

<sup>7</sup> Fieldhouse 1999, p.166

vide one lawful answer but rather to give a good starting point and background for other students and scholars to take the subject further.

My main source of information is the United Nations (UN) internet database called Comtrade. It contains detailed import and export statistics reported by statistical authorities of nearly 200 countries or areas. It covers annual trade data from 1962 to the modern day and has a comprehensive trade database available in more than 1 billion records. All trade data received from the national authorities is standardized by the UN Statistics Division before being added to Comtrade. The database is continuously updated.<sup>8</sup> Though the United Nations as an organization ideally represents objectiveness and trustworthiness it should not be taken for granted when using UN statistics as the main source of information. Who the UN recognizes as the national authority and how reliable their data is, especially from areas with unstable political conditions, are questions that need to be taken into consideration. The United Nations Statistic Division has acknowledged certain limitations of the database, which are listed in the Read Me First document:

---

<sup>8</sup>United Nations Statistics Division – Commodity Trade Statistics Database Comtrade, <http://comtrade.un.org/db/help/uReadMeFirst.aspx> (read 26.4.2008)

*“UN Comtrade is available to the general public and should be used with good knowledge of its limitations. Please read the following points very carefully before extracting and using data:*

- 1. The values of the reported detailed commodity data do not necessarily sum up to the total trade value for a given country dataset. Due to confidentiality, countries may not report some of its detailed trade. This trade will - however - be included at the higher commodity level and in the total trade value. For instance, trade data not reported for a specific 6-digit HS code will be included in the total trade and may be included in the 2-digit HS chapter. Similar situations could occur for other commodity classifications.*
- 2. Countries (or areas) do not necessarily report their trade statistics for each and every year. This means that aggregations of data into groups of countries may involve countries with no reported data for a specific year. UN Comtrade does not contain estimates for missing data. Therefore, trade of a country group could be understated due to unavailability of some country data.*
- 3. Data are made available in several commodity classifications, but not all countries necessarily report in the most recent commodity classification. Again, UN Comtrade does not contain estimates for data of countries which do not report in the most recent classification.*
- 4. When data are converted from a more recent to an older classification it may occur that some of the converted commodity codes contain more (or less) products than what is implied by the official commodity heading. No adjustments are made for these cases.*
- 5. Imports reported by one country do not coincide with exports reported by its trading partner. Differences are due to various factors including valuation (imports CIF, exports FOB), differences in inclusions/ exclusions of particular commodities, timing etc. The recommendations for international merchandise trade statistics can be found in the International Merchandise Trade Statistics: Compilers Manual ). Additional methodological information can be found on the same web page.”<sup>9</sup>*

---

<sup>9</sup> United Nations Statistics Division – Commodity Trade Statistics Database Comtrade, <http://comtrade.un.org/db/help/uReadMeFirst.aspx> (read 26.4.2008)



It is notable that “...countries may not report some of its detailed trade.”, so one will not find an accurate or precise truth in this study, but merely samplings of the trends in trade statistics during the given time. The goal is to look at the long-term development of the trade statistics and not to focus on one particular year. It is also notable that countries do not report their trade statistics for each and every year, which in this study means that no trade data is available from Côte D’Ivoire in 1980. The reason for this is unknown but despite the data missing from 1980 one will be able to see the trend of the trade on a long term scale. In this study all the statistics are created using the same trade classification and always presented from the African countries’ direction.

The trade classification used is Standard International Trade Classification Revision 1 (SITC rev.1). The original SITC was drawn up by United Nations Secretariat in 1950 in co-operation with governments and the assistants of expert consultants. In the resolution the SITC was recommended to serve as a basis for systematic analysis of world trade and as a common basis for the reporting of trade statistics to international agencies, thus reducing the burden on governments. The United Nations Economic and Social Council urged all governments to adapt to the classification with such modifications necessary to meet national requirements, without disturbing the framework of the classification and to rearrange their statistical data in accordance with SITC for purposes of international comparison. By 1960 about 80 percent of countries accounting for world trade were compiling trade-by-commodity data according to the original SITC. Other internationally agreed nomenclature called the Tariff Nomenclature (BTN), which was used in many countries in and outside Europe in the 1950s, turned out to be impractical when using both the original SITC and the BTN. The data based on BTN had to be regrouped in order to provide economic statistics, since for economic analysis it is necessary that aggregates be available for classes of goods. The regrouping into the form of the original SITC involved numerous subdivisions of BTN items, many of which were not in and of themselves meaningful. The situation required modifications in both classifications. To improve the situation, a group of experts from countries and inter-governmental agencies using both classifications prepared a proposal for

combining the original SITC and the BTN. The result was SITC Revised which was introduced in 1960 and recommended to substitute the original SITC in all member states<sup>10 11</sup>.

The SITC have since been revised several times. Revision 2 was implemented in 1976 and Revision 3 in 1988. The most evident change in the development of the SITC is the entry of new “modern” items like computers, fax machines and printers. Though Revision 2 was available during the time frame of this study, all the data used in this study is gathered using SITC Revision 1. Nevertheless, it doesn’t jeopardize the trustworthiness of the statistics as the frame of the classification itself hasn’t change significantly since Revision 1, and the revisions have merged gradually through times. The SITC Revision 1 uses a four-digit code in the item classification. Items are divided into sections which are divided into divisions and subdivisions. The first digit tells the section of the item. The second digit tells the division. In 07, *e.g.*, the 0 represents the section of *Food And Live Animals* and the 7 is the code for *Coffee, tea, cocoa, spices and manufactures thereof*. The following numbers indicates the subdivisions of more detailed information of the goods. 071 *e.g.* stand for Coffee and 071.1 for *Green or roasted, and coffee substitutes containing coffee*. Comtrade gives out statistical information up to the three digit subdivisions *e.g.* 071 for coffee. In this study, I will study divisions but also make an insight to their subdivisions. I have added these codes in the charts and tables where it is necessary and in the appendix one is able to see which items are included in each division.

Some of the data in the charts presented in this study are calculated and rounded up manually. When rounding up, I have used common mathematical laws where decimal of 0,5 and above have been rounded up to the nearest integer and decimals below 0,5 rounded down to the nearest integer. The charts where the data has been calculated manually are presented in capital letters. All other data in tables, charts and pie charts are taken from the source of information as they are. By using statistics created from the same source of information I should get a fairly reliable picture of fluctuations in trade statistics during the given time frame. Data gathered with coherent methods, presented in same currency and from the same source are very important factors when using trade statistics as the main information source. Trade is such a vulnerable subject to different

---

<sup>10</sup> The SITC was fully implemented by 1962, United Nations Statistics Division – Commodity Trade Statistics Database Comtrade, <http://comtrade.un.org/kb/article.aspx?id=10062> (read 26.4.08)

<sup>11</sup> United Nations 1961, pp.v - vii

variables. A subject where the precise truth of how much of something went where and where can be considered to be utopia. As it is mentioned above, countries do not always publish all the trade due to confidentiality, and they tend to publish their trade information in their own currency. I might have been able to get more detailed information of coffee and cocoa trade to the former mother colonies from the trade statistics published by United Kingdom's or France's foreign ministries, but yet I would have had to change the currencies into the same form and most likely get the overall trade data from a different source. All this would have emphasized the risk of getting a distorted and inaccurate picture of trade between the selected countries. A common problem when studying trade is that differences in values can rise to significant figures, and, therefore percentages presented are rough estimates and for some reason the science community has generally accepted these flaws. In this study, I will not get a detailed picture of how much coffee and cocoa only was traded but I should get a coherent picture of the development of the trade on a long-term basis in the selected countries during the given time frame. Data gathered by using coherent methods and presented in same currency reduces inaccuracy and the United Nations status as an independent organization also emphasizes the objectiveness of the information source. I do acknowledge Comtrade and SITC not to be completely flawless, but I believe them to produce the most coherent data to be used in this type of study.

#### **1.4. Preceding studies**

The effects of colonialism and the economic development in Africa have been widely studied among scholars since late 1950s when the independence wave started to gain momentum in African colonies. Early on, United Nations and World Bank published general statistical data of African countries in their yearbooks. They do not always cover all African countries and tend to concentrate on industrial countries of the world. More specific trade data can be found on statistics published by different government authorities, but the data's coherency can be challenged as governments have different methods of gathering and publishing the data. Africa South of Sahara is a survey and reference book which has been very useful in getting background information of the development in selected African countries in this study. The series were published from the

early 1970s onwards, and they cover information written in articles by different specialists and contain selected statistics of all the African countries south of Sahara. When examining the economic development in Africa, statistical data has been commonly used as the source of information and for supporting the viewpoints of scholars.

When seeking information of the selected countries the following can be noted. In general more studies about Ghana were available than of Côte D'Ivoire, and, therefore, the bigger picture of Ghana was easier to build. Studies about Côte D'Ivoire often contained detailed statistics but there were fewer studies available, whereas, for Ghana, it was the contrary. Mika Vehnämäki's doctoral thesis *Political Elite's Ideology, Economic Policy and Regional Economic Development in Ghana* (2000) is a geopolitical study analyzing the impacts of ideological shift and economic policy on economic development in Ghana during 1982-1995. For most parts the thesis covers time frame and subjects that are impractical for my study. However Vehnämäki's doctoral thesis was able to give good, and somewhat critical, perspectives to the economic development in Ghana. Tuinder Bastiaan A. den has created a comprehensive collection of statistics of the development in Côte D'Ivoire before and after independence in *Ivory Coast the Challenge of Success* (1978). It contains statistical data regarding both internal and external affairs, covering almost everything from direction of trade to costs of education per student. *Ivory Coast the Challenge of Success* is a World Bank Country Economic Report and it was published in 1978, so it doesn't cover the whole given time frame. Another scholar similar to Tuinder is Michelle Riboud who has studied Côte D'Ivoire's development up to 1986 in his *The Ivory Coast 1960-1986* (1987). The study is part of the Country Studies published by the International Center for Economic Growth (ICEG).

As Riboud's study is 18 times shorter than Tuinder's it stays on a more general level though covering some of the same areas of society as in the *Challenge of Success*. Both of the studies mentioned above are published by international organizations and give general information of the development in Côte D'Ivoire after independence. They have been useful in getting the big picture of the development in Côte D'Ivoire but certain faults must be acknowledged as well. The problem that can be seen in these types of studies is that the data presented comes from several different sources, and the reader can not always find information about data-gathering methods. I find

this very important when using statistical data in an academic study. That way, the reader can deliberate the trustworthiness of the data used. These problems have been present in both studies. Tuinder's statistics include a lot of exclusions and estimates made by World Bank and governmental institutions. The reader is forced to take note of all the small prints when going through the statistics in the *Challenge of Success*<sup>12</sup>. Also the fact that these studies are published by World Bank and ICEG adduces the question of true intentions behind these studies. How objective can the estimates made by World Bank or governmental bodies be, is the question that one needs to bear in mind. One should never take the data presented for granted but always approach statistical data with high standards and review them critically.

The concept of colonialism itself is strongly politicized, and, therefore the studies have often had a political bias, which has reduced their credibility in the academic world. This was typical for early studies about the effects of colonialism. Neo-Marxist scholars Walter Rodney and Samir Amin saw the effects of colonialism as universally bad and wrote about the underdevelopment growth without development<sup>13</sup>. Rodney's *How Europe Underdeveloped Africa* (1972) and Amin's *Accumulation on a World Scale* (1974) were published in the early 1970s and were highly influential at the time. The later academic world criticized these strongly politically orientated studies and other views started to emerge in the field of research. In 1980 Bill Warren who also was a neo-Marxist scholar argued the contrary in his *Imperialism Pioneer of Capitalism* (1980) and concentrated on the welfare of the colonies whereas Rodney and Amin had concentrated on the colonial trade.

Scholars examining the tender subject of colonialism cannot avoid the political bias that comes with colonialism and therefore this needs to be acknowledged if one aspires to greater objectiveness. Perhaps a bit more objective views were presented during the first half of the 1980s by Robert von Albertini in *European Colonial Rule 1880-1940* (1982) and by Lloyd Reynolds in *Economic growth in the Third World* (1985). They both examined the effects of colonialism from several viewpoints aiming to acknowledge the balance between the negative and the positive ones. D.K. Fieldhouse has studied colonialism since the early 1970s. His *The West and the Third*

---

<sup>12</sup> See e.g. Tuinder 1978, pp.135 - 138

<sup>13</sup> More about the view points of the scholars presented in this chapter can be found in chapter 4.1 Colonial economy

*World*, published in 1999, is a comprehensive study about the relationship between the West and the Third World and its effects. Fieldhouse's book was the best link to older scholars and helped me in understanding how the field of research has developed over time. Statistical data has been present in studies examining the effects of colonialism but the charts and tables have often been left in the background in these types of studies which have very often been ruminative by nature. One can rarely find a study which has concentrated on the effects of colonialism and studied the matter through statistical data. That is the ambitious objective of this study.

Richards Anthony Johns, Mathew Martin, Michael Todaro, Bo Södresten and Geoffrey Reed are among scholars that have studied colonial trade and economical development but have not been referred to in this study. Richard Anthony Johns gives a detailed picture of the development of colonial trade from the mid 15<sup>th</sup> century to the 1980s in his *Colonial Trade and International Exchange* (1988). In *International Trade theories and the Evolving International Economy* (1985) Johns examines the structure of international trade and seeks answers to international trade theories. His studies have a highly mathematical approach to economical development and Johns tend to study the matters on a larger scale. Therefore his studies been left out. Other study having mathematical and also socio-political approach to economic development is Michael P. Todaro's *Economic Development in the Third World* (1977) which has been later updated and published under the title *Economic Development* (1994 and 2000). Comprehensive information of the function of international economics is presented in *International Economics* (1994) by Bo Södresten and Geoffrey Reed. The economic science study contains both theoretical and practical aspects of the subject. In *Crisis Management: Solving Africa's Debt Problem?* (1987) Matthew Martin has studied underdevelopment through the debt of African countries. His theory has similarities with the "vicious circle of poverty" presented by Amin and Rodney. Martin approaches the subject through the influence of debt to the economic development and gives a somewhat more modern view to Amin's and Rodney's ideas. Nevertheless Martin's theory was left out as I want concentrate to trade and actions relating to it.

## **2. Côte D'Ivoire's and Ghana's political economic context**

### **2.1. Introduction**

The time frame in the following includes four episodes in world economics. First, there was the economic boom from 1850 to 1914. Rapid economic growth in Europe and North America and the improvement and cheapening of transport opened up the possibility of enlarged trade with other continents. Steam-driven ships and the worldwide railroad boom resulted in spectacular reductions in overland transport costs. Africa was drawn into the intensive-growth process towards the end of the century and can be said to get in on the tail end of the boom. The boom was followed by a period of depression during 1914 to 1945, marked by the Great Depression and the two World Wars. The growth rate declined almost by half in the “developing” countries and the same can be seen in the growth rate of tropical exports. After the two World Wars however, a second golden age took over during 1945 to early 1970s. Again technological development in transportation reduced the transport costs and the long term stagnation from 1914 to 1945 created extra opportunities in growth<sup>14, 15</sup> The “after war boom” was shaken by the economic crisis of the 1970s.

In the fall of 1971 the United States' decision to end redemption of the dollar for gold led to the rescind of the Bretton Woods arrangement, which was based on fixed exchange rates between the dollar and other currencies. Exchange rates were to float which in some cases caused wild gyrations and international stability and growth had been severely shaken. During the next two years emergency negotiations restored order to the international financial markets but another crisis was soon to follow. By the beginning of the 1970s the world had become highly dependent on petroleum. In 1973 the Organization of Petroleum Exporting Countries (OPEC) sharply increased

---

<sup>14</sup> Van Der Wee 1987, p.52

<sup>15</sup> Reynolds 1985, pp.33 - 36

the petroleum price which led to crisis in the petroleum dependent world. The effect was devastating in both the industrialized and in the developing world. The petroleum crisis led the developing world to face much bigger deficit in their balance of payments which forced them more deeply into debt, whereas industrial nations countered stagnation of output and employment as well as high inflation. The OPEC countries repeated their actions again in 1977 and 1979 producing the highest levels of unemployment since the 1930s. This situation persisted all the way to the early 1980s. Relief appeared in the mid 1980s, as the cohesion of the OPEC countries broke down due the war between Iraq and Iran as well as the coming of non-OPEC producers Mexico, United Kingdom and Norway.<sup>16</sup>

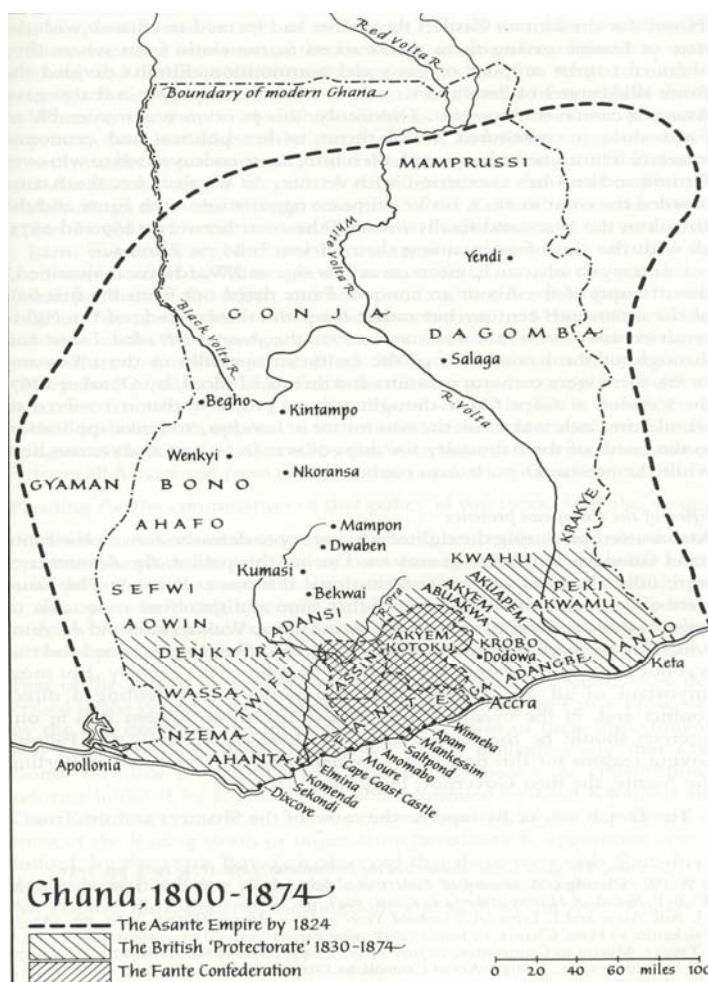
---

<sup>16</sup> Cameron 1989, p.394



## 2.2. Ghana

The opposition to colonial rule and agitation for reform had a relatively long history in Ghana<sup>17</sup>. The abolition of the slave trade in 1807 created an economic vacuum for Britain's economy and gave the impetus for the beginning of British intervention. At that time Britain only had a protectorate in the southern areas of modern day Ghana, which the British controlled from their coastal outposts (see map 1). The British hoped to fill the vacuum by encouraging the cultivation of exportable commodities such as white rice, indigo, cotton, coffee and palm oil. But for a long period of time the British faced armed resistance by the central Ashanti kingdom under the asanthe<sup>18 19</sup>.



**Map 1.** Map of Ghana 1800-1874 (Boahen, Adu 1974. Politics in Ghana 1800-1874, in History of West Africa 1974, edited by Ade Ajayi, J.F. and Crowder, Michael, volume two, Longman Group Limited 1974, London England, p.169)

<sup>17</sup> During colonial times Ghana was called Gold Coast and the name Ghana was adopted during independence in 1957. The name Ghana comes from the ancient medieval empire of Ghana in the northern savannah area of West Africa, which lay couple of hundreds of miles to the north-west of the borders of today Ghana.

<sup>18</sup> The King

<sup>19</sup> Austin 1974, p.348

The Ashante kingdom was defeated in 1874 leading to the establishment of a Crown Colony in the same year.<sup>20</sup> By 1900, Britain had taken over the whole area of modern day Ghana and peacefully extended it in 1919 under a League of Nations mandate to part of the former German colony of Togoland.<sup>21</sup>

The British adopted the concept of “indirect rule” in their West African colonies, which was developed by the High Commissioner Frederick Lugard in Northern Nigeria. The idea was to implement colonial rule by delegating a considerable degree of responsibility to the traditional authorities or chiefs. The “indirect rule” also had an economic point of view. Lugard believed that Britain had an economic obligation towards its colonies with respect to encouraging indigenous cash crop agriculture and the marketing of crops in the world economy. The idea was immensely influential, but the degree of implementation varied. In other areas of British West Africa the “indirect rule” proved difficult to work and its introduction progressed very slowly. Such was the case with the Gold Coast. The fiscal arrangements that buttressed “indirect rule” were only introduced in the 1940s.<sup>22</sup>

In the inter-war years the Gold Coast’s economy was dominated by the export of cocoa, gold, timber and manganese and the import of manufactured goods from the west, mainly from Britain. Powerful expatriate companies like the United Africa Company, cocoa firms like Cadbury and Fry and mining companies like the Ashanti Gold fields were the biggest ones in the business. In general the Gold Coast was relatively wealthy with a good infrastructure of roads, ports, railways, schools and elementary social services. Inter-African trade with its neighbors was minimal but the wealth attracted a large number of migrants from beyond the borders. The wealth flowing from cocoa growing spread through southern and central regions of the country and the 1920s were a remarkable period of economic expansion. The economic renaissance was cut short by the world economic depression in the 1930s. This was the time when movement for reform started to gain momentum.<sup>23</sup>

---

<sup>20</sup> Boahen 1974, pp.259 - 260

<sup>21</sup> Austin 1974, p.348, Mc Caskie 1987, p.30

<sup>22</sup> Mc Caskie 1987, p.31

<sup>23</sup> Austin 1974, p.348

The Second World War gave a broader base for the respectable history of protest against British rule in the Gold Coast. Social fluidity, economic dislocation and the experiences of Gold Coast soldiers in the British army in East Africa and Burma fused with the older traditions and produced in 1947 the United Gold Coast Convention. Its secretary was a man who had received his education in the United States, and he fully understood both the relative decline of the European powers in the aftermath of the war and the fluid rapidity of social change in the Gold Coast. Nkrumah and like-minded nationalists split from the UGCC and created the Convention Peoples Party. The CPP adopted as its slogan “Self government now” and gained the support of the army veterans, an entire generation of discontented school leavers, large section of the vital community of small traders and all those, who, for economic or political reasons wished to see rapid liquidation of British authority. CPP won the elections in 1951, -54, -56 and Nkrumah pressed for full independence. In a wave of great popular enthusiasm, the independence was granted March 6<sup>th</sup> 1957 and the Gold Coast merged with former British Togoland to form Ghana.<sup>24</sup>

In the early post-war period the terms of trade had been on a favorable trend, and export proceeds doubled between 1948 and 1959. At the end of 1955 commercial banks accumulated foreign-exchange assets which reached a peak of £208 million.<sup>25</sup> By the time of independence in 1957 Ghana had one of the strongest economies in Africa, but the process of decline commenced during the Nkrumah years.<sup>26</sup> The CPP government’s ideological elements consisted of Leftist centralism<sup>27</sup>, and Nkrumah and his movement can be considered the first experiment in independent African democratic socialism<sup>28</sup>. Externally, *e.g.*, this meant efforts at diverting the country’s export destinations away from the Western countries with hard currencies to socialist countries with bilateral barter trade pacts<sup>29</sup>. Nevertheless strong western presence remained and only the former Soviet Union emerged as a major socialist trading partner for Ghana. During 1962-1982 Soviet Union was Ghana’s fifth biggest export destination with 9,6 percent share of total exports (chart 1.). But the Soviet Union’s share of Ghana’s import trade was marginal (see chart

---

<sup>24</sup> Mc Caskie 1985, p.458

<sup>25</sup> Rimmer 1974, p.354

<sup>26</sup> Van Buren 1997, p.448

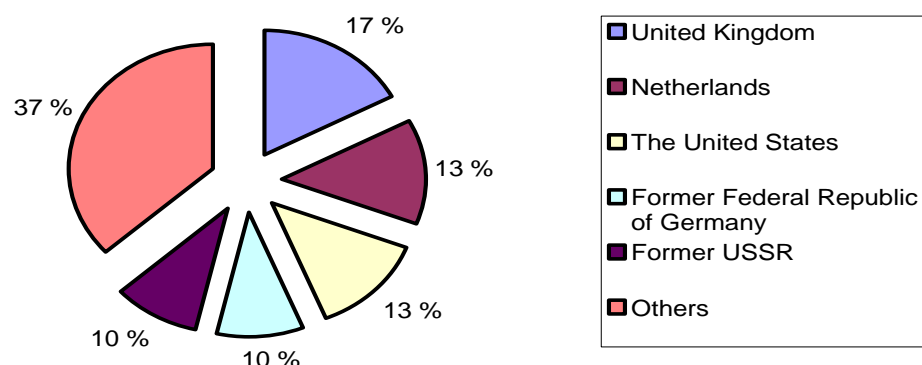
<sup>27</sup> Vehnämäki 2000, p.77

<sup>28</sup> Mc Caskie 1985, p.459

<sup>29</sup> Vehnämäki 2000, p.77

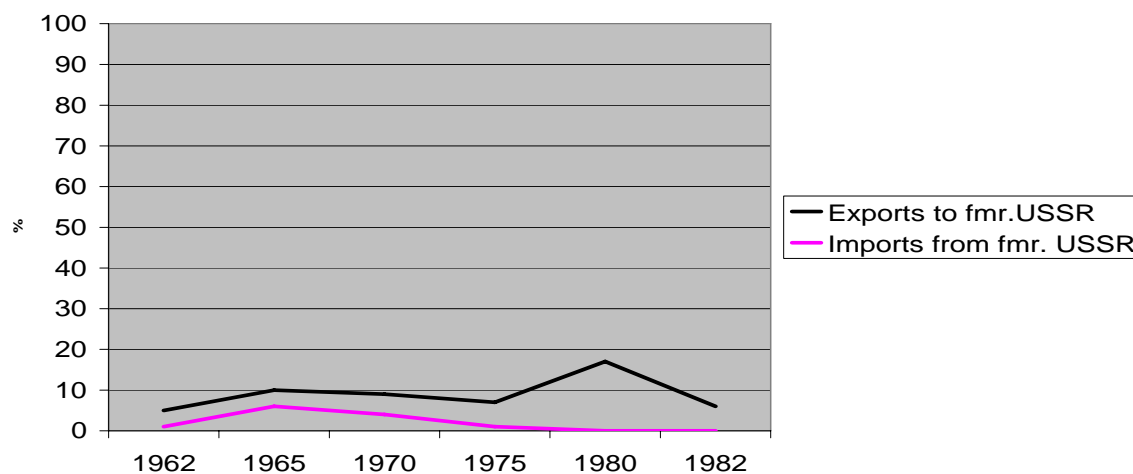
2.), and overall it never rose up to challenge western countries like the United Kingdom, the United States and the Former Federal Republic of Germany as Ghana's major trading partners.

### Top Export Partners during 1962-1982



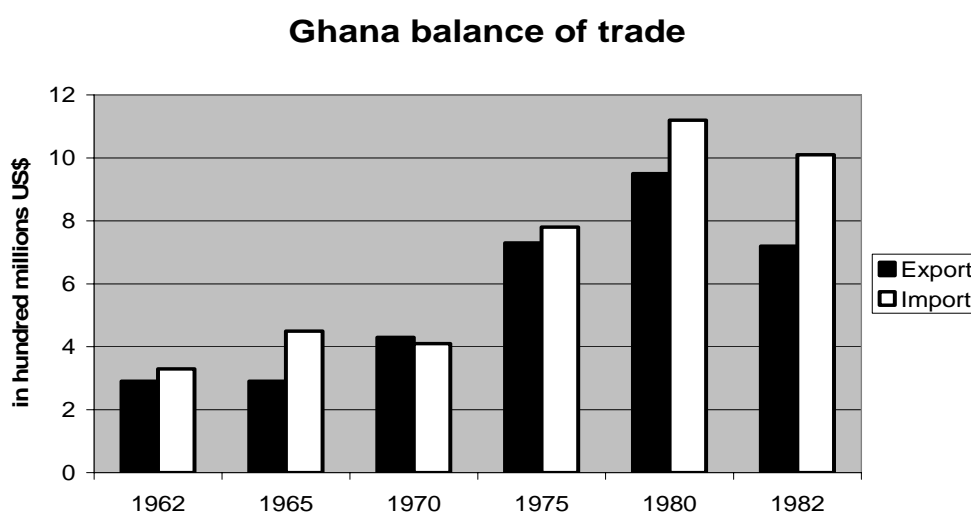
**Chart 1.** Ghana's top three export partners during 1962-1982 (United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

### Fmr. USSR's Share of Ghana's Total Trade 1962-82



**CHART 2.** Former Soviet Union's share of Ghana's total trade during 1962-1982 (United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

Mika Vehnmäki has argued in his doctoral thesis that the CPP government adopted quasi *laissez-faire* economic philosophy, which meant a major neglect of the economy rather than any purported liberalizing effort. Price controls, import licensing and exchange rate control were introduced to extend the overall trade.<sup>30</sup> The overall trade did grow slightly during 1962-1965 and even more rapidly during the 1970s (charts 5 and 6) but the deficit in trade balance crippled Ghana's economy from early on. The deficit led to a rapid run down of Ghana's external reserves in the few years after independence. During 1960-65 £100 million was raised by deficit financing and foreign suppliers' credits estimated at £160 million were taken up. Import controls coupled with the expansion of domestic purchasing power produced high inflation. In 1964-65 the retail price index in Accra rose by some 70 percent.<sup>31</sup> The international financial institutions did not approve Ghana's eagerness to borrow money without showing any intentions to redirect its economic development policy. The Western credit sources were closed in the end of 1965 and Ghana's economy showed red figures.<sup>32</sup>



**Chart 3.** Ghana's trade balance 1962-1982 (United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

Nkrumah's followers were left to struggle with his legacy of high inflation and crippling debt. To fight these issues the military government that displaced Nkrumah after the *coup* of 1966 began

<sup>30</sup> Vehnmäki 2000, p.77

<sup>31</sup> Rimmer 1974, pp. 354 - 355,

<sup>32</sup> Vehnmäki 2000, pp.77 - 78

co-operating with the World Bank and IMF under the name of Rehabilitation Program<sup>33</sup>. The military government sought to stabilize prices by holding down government expenditure and to relieve the pressure of the medium-term debt on the balance of the payments by making rescheduling agreements with creditor countries in 1966-1968. An attempt at fundamental resolution of the balance of payments problem was made by the devaluation of 1967. In the same year the commodity terms of trade moved favorably after being depressed by the expansion of Ghana's cocoa exports in the 1960's.<sup>34</sup>

Civilian government, with Dr. Kofi Busia as the leader, took office in October 1969 and continued the pro-IMF and pro-World Bank policy accepting their suggestions for economic stabilization<sup>35</sup>. The debt problem continued to cripple Ghana's economy. In 1970 and 1971, the government took major steps towards liberalization of the foreign exchange régime, substituting import surcharges as well as some export bounties on invisibles. The expansion of Ghana's cocoa exports in the 1960s and favorable terms of trade in 1967 necessitated a substantial growth in export proceeds during 1968-1970 (chart 5.). After a long period of trade deficit the trade balance showed a surplus in 1970 (chart 3.). But already in 1971 the export earnings fell off as the cocoa prices broke while the import spending continued to rise with the further removal of licensing control. This led to a new devaluation in December 1971 followed by the second *coup*.<sup>36</sup>

In January 1972 the National Redemption Council (NRC), which was later renamed Supreme Military Council (SMC), took power from the Busia regime and established a lengthy period of military government.<sup>37</sup> Mika Vehnämäki describes in his doctoral thesis the time between 1972 and 1978 as characterized by the neo-Marxist economic development policy with heavy state intervention.<sup>38</sup> The NRC/SMC government continued to reschedule the country's external debt, but its attitude towards its creditors as well as towards the World Bank and IMF can be considered non co-operative. A settlement of the medium-term debts was reached with the country's Western creditors in 1974, after two years in which Ghana forgo foreign credit and long-term aid. The

---

<sup>33</sup> Vehnämäki 2000, p.78

<sup>34</sup> Rimmer 1974, p.355, Van Buren 1997, p.449

<sup>35</sup> Vehnämäki 2000, p.78

<sup>36</sup> Rimmer 1974, p.355

<sup>37</sup> Van Buren 1997, p.449, Vehnämäki 2000, p.79

<sup>38</sup> Vehnämäki 2000, p.79

settlement was favorable to Ghana, as it provided for repayment of the capital of the debts over 28 years with an interest rate of only 2,5 percent with an initial grace period of 10 years. From 1975 onwards, the government intensified the position of the state in the economy by nullifying earlier liberalizing and adjusting measures. By 1977 the inflation was running at over 100 percent per annum, and acute shortages of both imports and home-produced goods followed. This led to the palace coup of Lieutenant-General Fred W. K. Akuffo on July 1978.<sup>39</sup>

The Akuffo government continued the ill-defined economic development, which was the legacy of the Supreme Military Council's office. Rigorous economic discipline concerning Ghana's external debt was imposed and the Ghanaian currency, the cedi, was devaluated by 58 percent to return to a more flexible exchange rate. The producer prices of cocoa were heavily raised but the tight controls of foreign trade were not released. The government's austere policy could not succeed as increasing worker dissatisfaction and worsening economic conditions finally drove the Ghanaian society into chaos.

In 1981, when Jerry Rawlings overthrew President Hilla Limann, who was democratically elected in 1979, Ghana's economy was already on the brink of collapse. Though the export value had been growing drastically during 1970-1980, the import value had been growing even more rapidly (chart 6), creating a trade deficit steady during the same time period (see chart 3.). Rawlings was the leading political figure of Provisional National Defence Council (PNDC). In the early 1980s the PNDC government was internally divided between radical Left and Right movements. Both of them were suspicious of the Structural Adjustment Program (SAP) initiated by the World Bank. The Left wanted to redirect the PNDC's economic development policy to the lines of hard-line Leninism and to isolate the country from the Western hemisphere. The Right opposed the PNDC government for the fact that it had usurped all the political authority for itself. The extreme attitudes were efficiently suppressed in the first two years of Rawlings' office and in 1983 the PNDC government succeeded finally in garnering the supportive elements of both the Left and the Right. The institutions of the SAP were implemented with unforeseen intensity. Vehnämäki points out:

---

<sup>39</sup> Rimmer 1980, p.439, Vehnämäki 2000, pp.79 - 80

*“Some scholars have claimed that the sudden change of ideology was predominantly due to Ghana’s imminent need for foreign finance to prohibit total debacle of the economy.”.*<sup>40</sup>

The SAP proved relatively successful in economic terms and later, the continued economic growth has created financial resources available to many social and development projects initiated by the PNDC government. This has further strengthened the government’s and the President’s legitimacy.<sup>41</sup>

### **2.3. Côte D’Ivoire**

The French participation in the trans-Atlantic slave trade was less significant than their European counterparts, especially the Portuguese, Dutch and British.<sup>42</sup> Therefore the abolition of slave trade in 1807 did not have the same impact on France’s economy as it did on many others. The base and the starting point for the French West Africa Empire was Senegal. Trading interests elsewhere in West Africa were minimal.<sup>43</sup> In 1843 trading posts had been established in Assine and Grand Bassam on the Ivory Coast<sup>44</sup> but these were abandoned in 1871.<sup>45</sup> The reasons for this remain ambiguous.

Towards to the end of the 19<sup>th</sup> century French interest in West Africa started growing. This might have been due to the interest shown by other European countries, like Germany, Britain and Portugal. In 1885, the main European countries signed the Berlin Act which formalized the process for the partition of Africa. The French conquest of West Africa was clearly linked to their superior firepower. In Côte D’Ivoire the resistance was fierce, and opposition in the southern areas was often sustained village by village. They proceeded fort by fort with increasing territory coming under their control, and by the end of the First World War most of direct opposition to French

---

<sup>40</sup> Vehnämäki 2000, p.81

<sup>41</sup> Vehnämäki 2000, pp. 79 - 81

<sup>42</sup> Ali-Dinar 2008. [http://www.africa.upenn.edu/K-12/French\\_16178.html](http://www.africa.upenn.edu/K-12/French_16178.html), (read 25.1.2008)

<sup>43</sup> Crowder 1980, p.168

<sup>44</sup> Other trading posts were situated at Ouidah in Dahomey.

<sup>45</sup> Hallet 1974, p.275



rule had been put down.<sup>46</sup> Côte D'Ivoire became a colony of the French empire in 1893 but it was effectively occupied in 1914. The northern boundary was not to be established until 1947.

Côte D'Ivoire had vast agricultural and forestry resources and was potentially one of the richest colonies of French West Africa. Logs were exported early on but coffee and cocoa were introduced in early 1900 for export production (see table 1.). As the cultivation of cocoa and coffee was only possible in the southern areas of Côte D'Ivoire this forced peasants in the northern areas, where cultivation wasn't possible, to migrate to the south where it was. Forced labor was also common, not only for public projects but for European plantation owners too.<sup>47</sup> As there are few statistics available for the first half of 1900s and because exports were dominant in Côte D'Ivoire economy early on, the following table can give us a sight of the Côte D'Ivoire economic development before independence<sup>48</sup>.

Exports (tons)			
Year	Logs	Cocoa	Coffee
1900	13420	n.a.	24
1920	46000	1036	17
1940	23220	45360	15610
1950	106000	61690	54190
1960	640000	62870	147500

**Table 1.** Historical development of the major export products (Tuinder, Bastiaan A. 1978. Ivory Coast The Challenge of Success, World Bank publication, The John Hopkins University Press 1978, Baltimore and London, p. 15, source J. Dirck Stryker, Exports and Growth in the Ivory Coast: Timber, Cocoa and Coffee, Yale University Economic Growth Center Discussion Paper no.147, New Haven 1972, appendix tables)

After the Second World War, Côte D'Ivoire's foreign trade expanded rapidly. One significant factor for this was political, social and economic reforms in France's colonies outlined in Brazzaville's Conference<sup>49</sup> in 1944.<sup>50</sup> In Côte D'Ivoire this meant the start of vast investment programs

<sup>46</sup> Ali-Dinar 2008. [http://www.africa.upenn.edu/K-12/French\\_16178.html](http://www.africa.upenn.edu/K-12/French_16178.html), (read 25.1.2008), Crowder 1980, p.168

<sup>47</sup> Crowder 1980, pp.168-170, Tuinder 1978, pp.11-13

<sup>48</sup> Tuinder 1978, p.14

<sup>49</sup> Other promises of reform made at Brazzaville were abolition of forced labor, abolition of the humiliating status of *sujet* (subject) and greater participation in the political process of the French Empire. (from Crowder & O'Brien 1974, p.664)

<sup>50</sup> Crowder 1980, p.170

with French technical and financial assistance. The transport infrastructure was improved considerably and the opening of the Vridi Canal in 1950 gave Abidjan a deep water port marking the beginning of the city's rapid growth.<sup>51</sup> It is notable that all the investments mentioned above contributed to trade and stimulated trade production. By the 1950s, Côte D'Ivoire and Senegal were of equal importance to French colonial trade in West Africa. During the period 1950-60 the economic growth rate in Côte D'Ivoire speeded increasing 7 percent to 8 percent per annum.<sup>52</sup>

During the colonial period, a number of economic grievances developed over time. Colonial policy had favored European plantation owners over African ones and during the Second World War, production quotas with intensified recruitment of forced labor encouraged resentment. *"This policy of assimilation, together with the lack of unity among the individual ethnic groups, is probably largely responsible for the absence of major outburst of violent nationalism. It is also probably the reason opposition to colonial status centered mainly on economic grievances."*, Tuinder writes.<sup>53</sup>

To express the country's dissatisfaction a wealthy planter named Felix Houphouet-Boigny organized a movement that affected the entire region. In the mid 1940s this movement eventually produced the Côte D'Ivoire's only political party Parti Démocratique de Côte D'Ivoire (PDCI).<sup>54</sup>

Houphouet-Boigny had supported the French colonial rule throughout the 1950s and it was rumored that Houphouet-Boigny was reluctant to abandon the security of the colonial status in favor of the dubious benefits of independence.<sup>55</sup> Crowder & O'Brien seeks explanations for the behavior of French-speaking African leaders at that time:

*"To understand the apparent reluctance with which French-speaking African leaders pursued the goal of independence, and the dramatic contrast between their attitudes on the question and those of their English-speaking counterparts, one has to remember the poverty of French West Africa in resources and educated personnel. Heavily dependent on French aid and with administrative services still largely manned by France, independ-*

---

<sup>51</sup> Tuinder 1978, p.14

<sup>52</sup> Amin 1980, p.496

<sup>53</sup> Tuinder 1978, p.12

<sup>54</sup> Tuinder 1978, p.12, U.S Department of State, <http://www.state.gov/r/pa/ei/bgn/2846.htm>, (read 28.1.2008)

<sup>55</sup> Cruise O'Brien 1980, p.494, Englebert 1997, p.330, , Tuinder 1978, p.12

*ence without France's goodwill seemed a bleak prospect, despite all its emotional attractions.*"<sup>56</sup>

As it became clear in 1960 that most colonies would be granted independence, Côte D'Ivoire, with Houphouët-Boigny as its leader, peacefully withdrew from the French community and declared independence on August 7<sup>th</sup> 1960.<sup>57</sup>

At the time of their independence many states of former French West Africa were economically fragile but Côte D'Ivoire was an exception. The country's rich resources had attracted a great deal of French investment after the Second World War and had produced a boom situation.<sup>58</sup> During the first two and half decades as an independent nation, Côte D'Ivoire underwent a period of economic growth known as the *Ivorian miracle*. During 1960-1985, Côte D'Ivoire's GDP, private consumption and exports all increased three to four times. When compared to other West African countries Côte D'Ivoire's growth rate was in its own class (see table 2). During 1970-1982 Côte D'Ivoire experienced average growth rate of 5,7 percent per year.<sup>59</sup> Neighboring Ghana, country with similar natural resources, underwent a negative average growth rate of 0,5 percent and Senegal had a growth rate of 2,9 percent per year during the same time frame. But Côte D'Ivoire's boom was largely advantage of the French investors, and while there was economic progress it is argued that there was no real benefit for the "masses".<sup>60</sup>

As the President Houphouët-Boigny and PDCI did not face any formal opposition, though political unrest was manifest during the 1960s<sup>61</sup>. A stable political climate fostered the economic growth and encouraged direct foreign investment and management. After independence Houphouët-Boigny kept up strong relations with France and Côte D'Ivoire received massive technical assistance from the French.

---

<sup>56</sup> Crowder & Cruise O'Brien 1974, p.697

<sup>57</sup> Tuinder 1978, p.12

<sup>58</sup> Crowder & Cruise O'Brien 1974, p.698

<sup>59</sup> Riboud 1987, pp.1-2

<sup>60</sup> Crowder & Cruise O'Brien 1974, p.698

<sup>61</sup> Cruise O'Brien 1980, p.494

	Annual Rate of Real GNP 1970-82
Ghana	-0,50 %
Senegal	2,9
Mali	4,3
Upper Volta	3,4
Niger	3,4
Côte D'Ivoire	5,7
Togo	3
Mauritania	2

**Table 2.** Comparative Annual Rate of Real Gross National Product, West Africa (Riboud, Michelle 1987. The Ivory Coast 1960-1986, Country Studies number 4, International Centre For Economic Growth 1987, United States of America, p.2)

Some 4000 French assistants were stationed in Côte D'Ivoire<sup>62</sup> and by the time of its independence there was a clear-cut division of tasks between Côte D'Ivoire and France. In 1960 about 50 percent of each of Côte D'Ivoire's three main export products went to France and about 70 percent of imports originated in France.<sup>63</sup> In overall trade this ratio was still present in 1962, but France's share of the trade declined gradually during 1962-1982 (charts 7 - 12 ). Nonetheless its hegemony as Côte D'Ivoire's trading partner was never challenged during the first twenty years of independence.

Despite strong connections with France, Houphouet-Boigny wanted to reduce the country's dependency on imported manufactured goods, which mainly came from France in the early 1960s. Houphouet-Boigny rapidly developed the manufacturing sector and already in the mid 1970s the manufacturing output had multiplied almost fourfold with emphasis on the growth of industries processing Côte D'Ivoire's raw materials. The government also wanted to reduce the country's dependency on traditional exports like coffee, cocoa and timber. They continued the development of export crops and diversification was imposed by the introduction of a variety of new crops, like pineapples, bananas, palm trees, rubber and cotton. The weight of export crops in the country's prosperity remained predominant. During 1960-75 exports oscillated about 40 percent relative to Côte D'Ivoire's GDP. High population growth and migration from neighboring countries led to the increase of food crops, to meet the demand of higher population. Despite high popula-

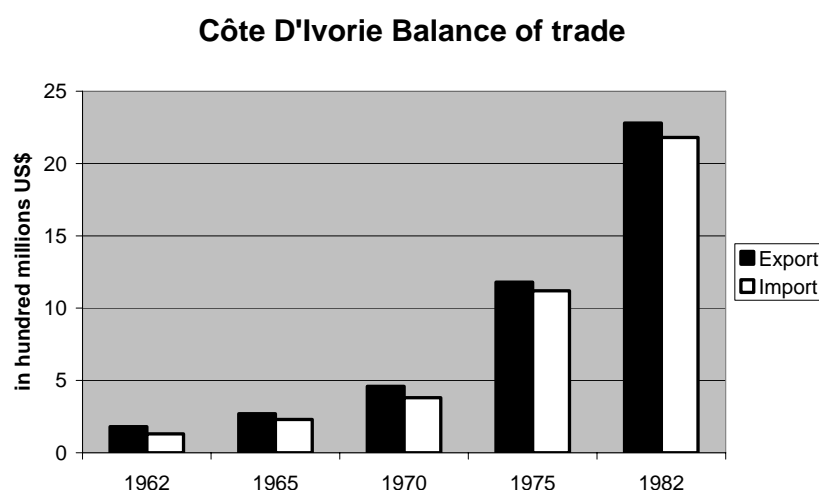
---

<sup>62</sup> O'Brien 1980, p.494

<sup>63</sup> Tuinder 1978, p.14

tion growth, real, or per capita, GDP grew at an average rate of 3.6 percent during the first fifteen years of independence.<sup>64</sup>

There was a decline in the miracle in the late 1970s. Although it was also a period of growth and the trade balance had been favorable throughout the sixties and early seventies (see chart 4), the excessive government spending and the increase in prices for imports with increased inflation due the oil crisis of 1973 necessitated a slowdown to the pace of the progress. Several investment projects had resulted in higher costs than expected because of insufficient preparation and underestimation of the necessary infrastructure and of fixed costs. The 1973 oil crisis increased the inflation and disturbed the certain types of export such as timber. Inflation had been fairly moderate during the 1960s, not going much over 3 percent, but after the oil crisis inflation rate reached an average as high as 13 percent. Also the external debt, which had been steadily increasing during the 1960s, grew drastically in the first half of the 1970s. The amount of debt related to GDP grew from 18.3 percent in 1970 to 25 percent in 1975 and the debt service ratio rose from 6.8 percent to 8.7 percent during the same period. Growing income disparities between regions and unemployment also contributed to the country's economic problems.



**Chart 4.** Côte D'Ivoire's trade balance 1962-1982 (United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

<sup>64</sup> Riboud 1987, pp.6-7

To tackle the issues Côte D'Ivoire implemented an ambitious expansionary program called the "Loi- Programme". The program was aimed to increase investments in 1977 to 6.5 times those of 1971. The rate of investments did rise but this led to a 30 percent increase in recurrent expenditures, and the investment budget was multiplied by four in the 1977 government's budget. Although the government had made an effort to diversify Côte D'Ivoire's economy, the country was still very dependent on the export sector, especially on changes in prices of its major export products. This didn't stop the government from believing that the implementation of the ambitious investment plan was possible by using the boom in coffee and cocoa prices that occurred in 1976 and 1977. Unfortunately, the following year cocoa and coffee prices fell 13 percent. Inflation reached a peak of 27 percent in 1977, dropping to 13 in 1978. During the second half of 1970s, exports became less competitive, with an average annual rate of only 4 percent, while imports increased by 11.8 percent per year on average. This increased the quantitative import restrictions. The second oil crisis in 1979 brought on a world recession and also hit the Côte D'Ivoire. The investment program was pursued despite the ongoing economic challenges Côte D'Ivoire had faced. This meant increasing borrowing and when entering the eighties the debt ratio related to GNP had reached 43.4 percent with the debt service ratio nearly doubling during 1979-1980.

In the early eighties, the "*Ivorian miracle*" became just a memory of the past. Côte D'Ivoire's economic and financial situation became so critical that in 1981 the International Monetary Fund and the World Bank required the implementation of a stabilization program as a condition for future support. The main objects of the program were a progressive reduction of internal and external deficits and the restoration of conditions of growth. This meant the closure of several public sector enterprises, which were largely responsible for the fiscal deficit and the external debt. They were characterized by overstaffing, lack of coordination with other government agencies and the lack of solid financial policy. Some of them were privatized and the rest were reorganized and put under periodic controls. Other stabilization actions included curtailing foreign technical assistance and reducing recurrent expenditures like public sector wages. The most drastic cuts were made in the government investment budget where a 20 percent decrease was introduced in 1981 and -82 followed by a 57 percent decrease in 1984. Severe droughts in 1982-1984<sup>65</sup> resulted in a 13 percent drop average in agricultural production. Production of cocoa fell by 22 percent in

---

<sup>65</sup> Hodgkinson 1997, p.336

1982-1983 and coffee fell 70 percent in 1983-1984. The stabilization measures took effect slowly but already by 1985 Côte D'Ivoire's economic performance was considered satisfactory, showing improvements in all sectors of the economy.<sup>66</sup>

## **2.4. Summary**

One could say that when gaining independence Côte D'Ivoire was in the same blooming stage where Ghana had been during the colonial years. Colonial Ghana, then the Gold Coast, was in its time one of the most progressive nations in Africa. Good infrastructure, social services and an influx of migrants beyond borders attracted by the wealth from cocoa growing. There are several similarities in the development of independent Côte D'Ivoire. The country's economic success after independence was in its own class when compared to other African nations at the time. Côte D'Ivoire continued having strong connections to its former mother colony and was able to maintain a stable internal political environment. However for Ghana, independence led to times of unstable political environment and economic struggles. Nevertheless one similarity between the two can be noted. After independence the agricultural products that were introduced by their European conquerors continued to have significant roles in both countries' economies. Agricultural production was the economic foundation for the countries' development and made them vulnerable to fluctuations in the international trade.

---

<sup>66</sup> Riboud 1987, pp. v - 19

### 3. Trade relations between the European Community and the developing world

#### 3.1. The birth of the EEC 1957 and the Yaoundé Conventions 1963 - 1974

The history of contractual relations between the European Community and the developing world goes back to the origins of the European Economic Community (EEC) and the early days of the independence wave in Africa. In the Treaty of Rome in 1957 associated status was given to specific overseas collectives and territories (OCT) that had special relations with a member state<sup>67</sup>. Article 131 in the Treaty set out the parameters of these original provisions:

*“The purpose of association shall be to promote the economic and social development of the countries and territories and to establish close economic relations between them and the Community as a whole.”*<sup>68</sup>

The Treaty of Rome and its articles referring to associated countries were criticized for perpetuating the colonial dependency existing at the time. Perhaps the only significant outcome of the Treaty was the establishment of the European Development Fund (EDF) which has remained one of the key instruments of Europe’s policy regarding the developing world. The Treaty established the legal obligation of member states to contribute to the investments required for the progressive development in the OCT. The exclusive mechanism chosen for the task was the EDF. As the majority of OCT countries gained their independence in the early 1960s new arrangements were necessary.<sup>69</sup>

The relations between a vast majority of African states and the EEC were structured through a completely new and separate treaty, The First Yaoundé Convention<sup>70</sup>. It established preferential trade arrangements between the EEC and 18 mainly francophone countries. These were the Associated African States and Madagascar (EAMA). Côte D’Ivoire was part of this group. The foundation of the Convention was recognition of the national sovereignty of the participating

---

<sup>67</sup> This involved relations between 31 OCTs and four member states France, Belgium, Italy and the Netherlands

<sup>68</sup> Holland 2002, p.26

<sup>69</sup> Holland 2002, p.25-27, Laaksonen, Mäki-Fränti, Virolainen 2006, p.7

<sup>70</sup> Signed July 20th 1963



countries.<sup>71</sup> Former colonies sought favored trade schemes and aid assistance to undertake the domestic reforms necessary to enhance their economic performances and the living standards of their citizens<sup>72</sup>. Procedures were rationalized to encourage the imports of tropical products from the EAMA countries to the EEC area. Custom duties were abolished for most of the import products. The Convention also established a customs preference zone between the EEC and the member states as well as arbitration joint institutions.<sup>73</sup> Additional resources were granted to the EDF to finance development projects in Africa. Community support to EAMA countries was directed principally through the EDF and the European Investment Bank (EIB) which was authorized to intervene with loans and advances to regulate the process of importing tropical products and to complete the actions of the EDF.<sup>74</sup>

The First Yaoundé Convention expired in 1969 and the following second Convention lasted until 1975. In the Second Convention the signatories were the same and the provisions of the treaty did not change fundamentally. During 1963 – 1975, the time of the Yaoundé Conventions, the EEC provided approximately 20 percent of the total aid received by the EAMA countries and even more was provided by continued bilateral assistance from individual member states, mainly France, Belgium and Germany. Yaoundé Conventions were criticized as lacking the necessary drive to alter the historical relationship of colonial dependency. Conventions were seen lacking reciprocity and merely as a poorly disguised extension of French foreign and colonial policy.<sup>75</sup>

### **3.2. Lomé I and II 1976 - 1985**

Pressure built to restructure the EEC's external relations towards developing countries when the United Kingdom joined the EEC in 1973<sup>76</sup>. The United Kingdom had always offered preferential relationships to the Commonwealth countries, their former colonies, and when entering the EEC the United Kingdom wanted to maintain this special treatment<sup>77</sup>. Already in the transition stage it

---

<sup>71</sup> Holland 2002, pp.27 - 32

<sup>72</sup> Santos 1997, p.13

<sup>73</sup> Holland 2002, pp.27 - 32

<sup>74</sup> Laaksonen, Mäki-Fränki, Virolainen 2006, p.8

<sup>75</sup> Holland 2002, pp.27 – 32, Santos 1997, p.13

<sup>76</sup> Denmark and Ireland joined at the same time adding the number of EEC countries to nine

<sup>77</sup> Santos 1997, p.13

was evident that the restructuring sought to protect French sensitivities and yet meet British demands. The views of developing countries were secondary in the process. The result was the first Lomé Convention, which was signed in 1975 and came to force in the spring of 1976. In the Lomé Convention the EAMA was replaced by the African Caribbean and Pacific states (ACP). The nine EECs were linked with 46 developing countries<sup>78</sup> and the number rose to 53 during the five-year lifetime of Lomé I. The Convention was an entirely new treaty that aimed to amend the defects of the Yaoundé Conventions. The Lomé Convention was to emphasize reciprocity, commitment to equal partnership and to seek a more just and balanced economic order between Europe and the ACP.

The major innovation of Lomé was STABEX, the system for stabilization of export earnings from agricultural commodities. The objective was to provide funds for ACP countries to cover production shortfalls or price fluctuations for specific agricultural products exported to Europe. This was important as many of the ACP countries were dependent on a limited number of products making them especially vulnerable to variations in the world market prices. The EEC guaranteed a minimum earnings threshold for the specific exports and compensated for any loss of revenue caused by lower prices or loss of production. STABEX covered 29 products under Lomé I rising to 44 in Lomé II. From early on the benefits of STABEX were not equally distributed among the ACP and its underlying philosophy became its Achilles' heel. Under Lomé I more than one third of available support went to groundnut production and just three states, Senegal, Sudan and Mauritania received more than 30 percent of the available funds. The same imbalance continued under Lomé II when coffee, cocoa and groundnuts alone took four-fifths of the budget with three states, Ghana, Côte D'Ivoire and Senegal accounting for more than 35 percent. Through the years the demand for STABEX compensation grew and by the start of the second Convention in 1980, the STABEX budget could only match roughly half of all funding requests. Lomé II introduced SYSMIN which was based on the same principles as STABEX. SYSMIN was designed for the mining export countries for protection from loss of production or price collapses.<sup>79</sup>

---

<sup>78</sup> Including the 18 original Yaoundé states and Mauritius as well as six other African states and 21 less developed Commonwealth countries which 12 were African, six Caribbean and three from the Pacific.

<sup>79</sup> Holland 2002, pp.32 - 40 Laaksonen, Mäki-Fränti, Virolainen 2006, pp. 8 - 10

When compared to its predecessors, the first two Lomé Conventions were clearly superior. The Conventions were a watershed in post-colonial relations eschewing any form of colonial ties. The ACP states were not required to offer any special treatments to the EEC countries nor were they prohibited from trading with other developing countries. But the Conventions' actual effects didn't meet its ambitious provisions. The trade surplus between the ACP countries and the EEC didn't change drastically from the ratios prior to Lomé. STABEX and SYSMIN supported the production of agricultural and mining products by rewarding failure rather than success. This promoted ACP countries' dependency on raw materials as an export base in exchange for imported industrial goods from Europe. Countries that did increase their productions capacity and exports were still very vulnerable to loss of production or price collapses and in long term the countries didn't gain anything from STABEX and SYSMIN. Though the first Lomé decade is characterized as one of falling hopes Lomé I and II set the framework that dominated Europe's perspective on the developing world to the end of the twentieth century.

### **3.3. Summary**

The foundations of each treaty from the Treaty of Rome to Lomé II remained the same. They all included ambitious provisions, preferential trade agreements, custom free zones and organs aimed to help the developing countries. For a long time the terms were dictated by the EEC but little by little the awareness of the true problems became clearer to both parties. Lomé I was the watershed that set the base for equal development between the European Community and African Caribbean and Pacific countries. Lomé I and II created for the first time more practical actions in helping the developing countries. Though STABEX or SYSMIN weren't complete successes they were good signs of development since the Treaty of Rome. Nevertheless by the end of Lomé II the developing world was still waiting a breakthrough. During the 28 year period from the Treaty of Rome to Lomé II the economic situation in the developing world did not change remarkably and the historical composition between the developed and developing remained strong.

## 4. The effects of colonial trade

### 4.1. Colonial economy

D.K. Fieldhouse has expounded on colonialism:

*“Colonialism may be described as a particular form taken by the process of creating an integrated world economy and the development of an international work of labor. The obvious and main difference from the same process in the settler societies was that in colonies this incorporation was not voluntary. Colonies were conscripts.”*<sup>80</sup>

Even if one is to agree with Fieldhouse’s explanation of colonialism, its effects can be argued. The conventional view has been that the effects of colonialism were universally bad and the benefits of trade were incidental. This view was well adopted by the far left neo-Marxist scholars like Walter Rodney and Samir Amin, who wrote about underdevelopment, the growth without development. For them it was axiomatic that colonialism existed to enable the capitalist states to exploit the resources of their dependencies. European colonialism was seen as the destroyer of the native viability of African societies and their capacity for sustained development. The concentration on commodities for export was seen as a monoculture leaving the economy vulnerable to fluctuations in the market and deterioration of the terms of trade.<sup>81</sup> In his book, *How Europe Underdeveloped Africa*, Walter Rodney declared that the most obvious way of exploitation was through trade, which in Rodney’s words began during the colonial rule and is present these days in forms of foreign investments. In Rodney’s trade pattern, the terms of trade are being set by one country in a manner entirely advantageous to itself. One can, *e.g.*, take the export of agricultural produce from Africa and the import of manufactured goods into Africa from Europe, North-America or Japan. The big nations establish the price of agricultural products and subject these prices to frequent reductions. At the same time they also set the price of manufactured goods, along with the freight rates necessary for trade in the ships of those nations.<sup>82</sup> Amin sees the the-

---

<sup>80</sup> Fieldhouse 1999, p.164

<sup>81</sup> Fieldhouse 1999, p.165

<sup>82</sup> Rodney 1974, pp.22 - 25

ory of underdevelopment as capable of best describing a series of economic features that are typical for the countries of the third world and that form the structural characteristics of underdevelopment. He writes:

*“The genesis of underdevelopment, a whole historical process (and not merely an “economic” one), which coincided with the history of the geographical spread of capitalism and its constitution as a structured world system, with the centre and periphery, explain these outward features, which are three in number: (1) unevenness of production as between spheres, (2) disarticulation, and (3) economic domination from outside.”*<sup>83</sup>

The theory of underdevelopment was highly influential at the time and some even saw it as an answer to the *vicious circle of poverty* in the Third World countries. But soon after, the theory of underdevelopment faced criticism by other scholars. Like a Swiss historian Robert von Albertini has put it underdevelopment was seen “...too limited to be acceptable.”. Von Albertini argued that though the development was European dominated and trade orientated, there was economic growth that benefited the colonies. Bill Warren is one of few Marxists who have agreed the very same<sup>84</sup>. Warren argues in his *Imperialism Pioneer of Capitalism*, that even if the aim of colonialism was to benefit the economic growth in the west, it wasn’t possible without considering the welfare of the colonial population. Development of health, education and new types of consumer goods was favorable for expansion of the productive forces and therefore the colonial era launched the process of development rather than reinforcing underdevelopment. According to Warren, the improvements in health brought with the colonizers led to a rapid population growth as the mortality rates declined. Longer life spans led to greater total consumption, which as Warren argues “...could have not been brought about to anything like the same extent without the powerful spur of commercialism, colonialism, and the organizational framework that necessarily accompanied them.”<sup>85</sup>.<sup>86</sup> Lloyd Reynolds, in his *Economic Growth in the Third World*, agrees that the reduction of famine through improved food transport and the spread of Western medical facilities increased population growth<sup>87</sup>.

---

<sup>83</sup> Amin 1974, pp.4 - 15

<sup>84</sup> Fieldhouse 1999, p.169

<sup>85</sup> Warren 1980, p.130

<sup>86</sup> Warren 1980, pp.129 - 130

<sup>87</sup> Reynolds 1985, p.42

Warren equates education with health care and sees it as one of the key elements in the economic progress. He admits that the education system neglected agricultural, engineering and technical education in favor of the arts, pure sciences and Christianity but points out that without the elementary literacy and numeracy no modern economy could have taken root. According to Warren colonial education represented the liberating force in the custom-bound societies that in the end was used against the colonial power itself<sup>88, 89</sup> Lloyd Reynolds, on the other hand, emphasizes that higher education wasn't usually supported and colonial authorities were typically hostile to domestic industrialization and did little to shelter domestic crafts from the competition of imported factory goods.<sup>90</sup> Warren argues the following about the submission of the domestic crafts:

*“..., we may note that the bulk of imports into Africa during the colonial period was destined for Africans in the low-to-middle income categories. Imports from developed countries into West Africa did **not**<sup>91</sup> displace simple techniques in the West African textile production and other crafts. A substantial decline in the **proportion** of goods supplied by the domestic industry from the mid-nineteenth century to the 1960s was accompanied by an **absolute** rise in the volume of a number of items of traditional production, because the market underwent a massive expansion during this period.”<sup>92</sup>*

On some levels Reynolds agrees with Warren by noting that the introduction of the new export crops-coffee, tea, cocoa, sugar, rubber and so on-stimulated the production of traditional crops creating a comparative aspect between the old and the new export crops<sup>93</sup>. D.K. Fieldhouse has come to the conclusion that trade, specialization and comparative advantage have always led to growth, not to underdevelopment. Nevertheless, he believes that trade alone has never been sufficient for sustained development and it depends on the ability of a society to exploit and invest the benefits of trade.<sup>94</sup>

As well as concentrating on the effects of healthcare and education, Reynolds emphasizes the geo-political effects of colonialism. He points that colonialism clarified territorial boundaries for the first time in many places and established unified administration within these boundaries con-

---

<sup>88</sup> Here Warren uses India as an case example

<sup>89</sup> Warren 1980, pp.135 - 136

<sup>90</sup> Reynolds 1985, p.42

<sup>91</sup> Italicized in the original text

<sup>92</sup> Warren 1980, p.131

<sup>93</sup> Reynolds 1985, p.42

<sup>94</sup> Fieldhouse 1999, p.355

tributing to a growing sense of nationhood. Suppression of internecine warfare and maintenance of internal order were also favorable to population growth as well as to economic activity.<sup>95</sup> Development of infrastructure has commonly been seen as having a positive impact on the development in the colonies. Creation of trade routes into the interior, the building of railways and harbors, investment in plantations and mines have been seen as integrating the colonies into world economic system<sup>96</sup>. Reynolds also sees the infrastructural development, such as roads, railroads, river navigation and port facilities as contributing to the positive effects of colonialism. However he doesn't present colonialism having purely positive effects. Income drain from the colonies through repatriation of profits on foreign investments and in other ways contributes to the negative side of Reynolds' balance sheet. Other negative impact that Reynolds emphasizes is the portion of export proceeds that remained in the colony, which according to Reynolds was unequally distributed within the population.<sup>97</sup> Perhaps, in the end, one could quote Von Albertini, who, being a Swiss, could provide a bit more neutral approach to the issue:

*"Although Europe dominated this system, it provided the impulse for development and modernization of the colonies in the form of import needs, capital exports and technical skill according to the classical-liberal model of comparative advantage in international trade."*<sup>98</sup>

## 4.2. Summary

To sum up, the effects of colonialism can be viewed from several different points of views and even the same actions can be seen as negative or positive. No generalizations are possible as no two colonies had the same experience<sup>99</sup>. Yet some key points can be made. All the actions presented above have a link to trade. For the European conquerors it was beneficial to have clear boundaries and a peaceful environment in their colonies. An unstable environment would have interrupted the work of colonial governance and colonial trade, *scilicet* getting the best out of the colonies. Population growth was also beneficial as it increased the labor force, *e.g.*, to farm the agricultural products exported to Europe. More people also needed imported goods from the

---

<sup>95</sup> Reynolds 1985, p.42

<sup>96</sup> Von Albertini 1982, p.494

<sup>97</sup> Reynolds 1985, p.42

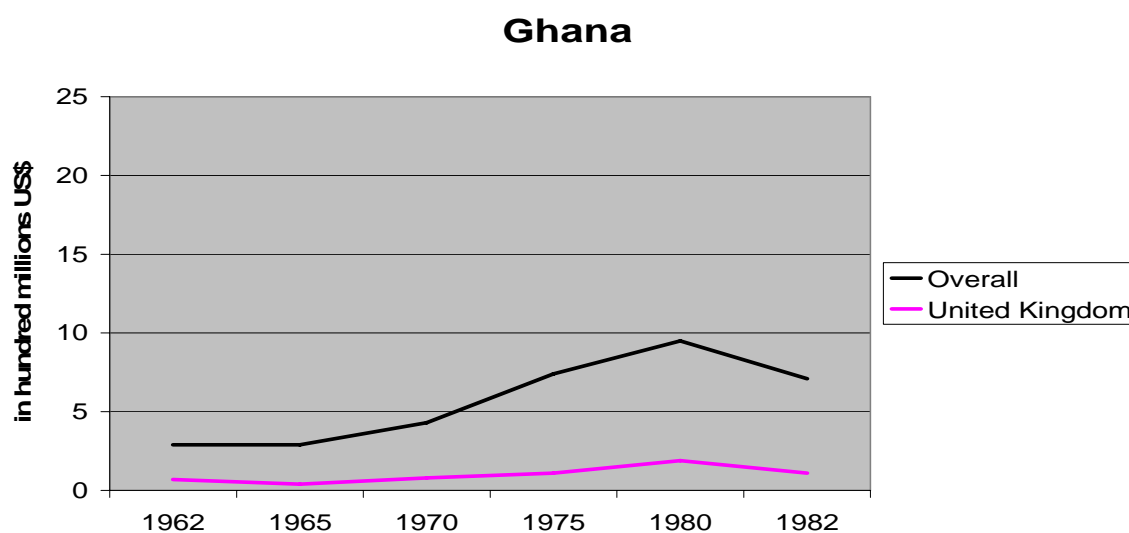
<sup>98</sup> Von Albertini 1982, p.494

<sup>99</sup> Fieldhouse 1999, p.166

mother countries. Education was important in creating local administration and foremen. Good infrastructure enabled better access to remote areas and linked those areas to the colonial system. It also reduced transport costs both internally and internationally. Development of deep water harbors and airfields added export efficiency. All in all, colonial actions should not be seen as a humanitarian mission as even though some actions have a humanitarian aspect. The effects of colonialism can be approached from endless points of view and well-defined conclusions are difficult to make.

#### 4.3. The effects of colonialism in Côte D'Ivoire and Ghana

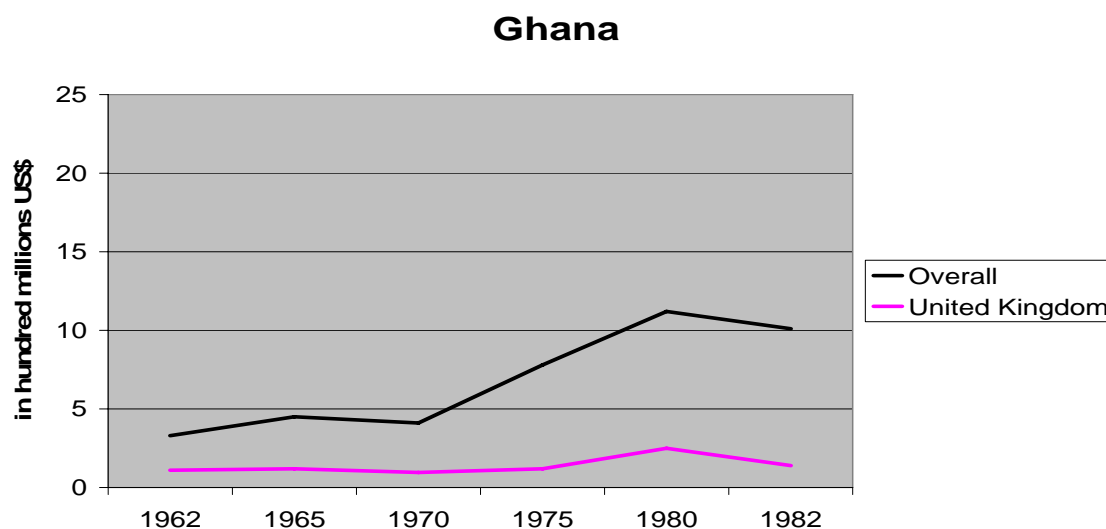
Let us take underdevelopment to mean growth without development and examine this statement in the light of trade statistics. Ghana's trade, both import and export, grew during the given time frame (charts 5 and 6).



**Chart 5.** Ghana's export value overall and with former colonial mother country during 1962-1982(United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)



The value of exports doubled during 1970-80, then fell between 1980 and 1982. At the same time, the value of imports grew more rapidly and there was a deficit in the trade balance throughout the sixties and seventies with the exception of 1970 (for trade balance see chart 3).



**Chart 6.** Ghana's import value overall and with former colonial mother country during 1962-1982 (United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

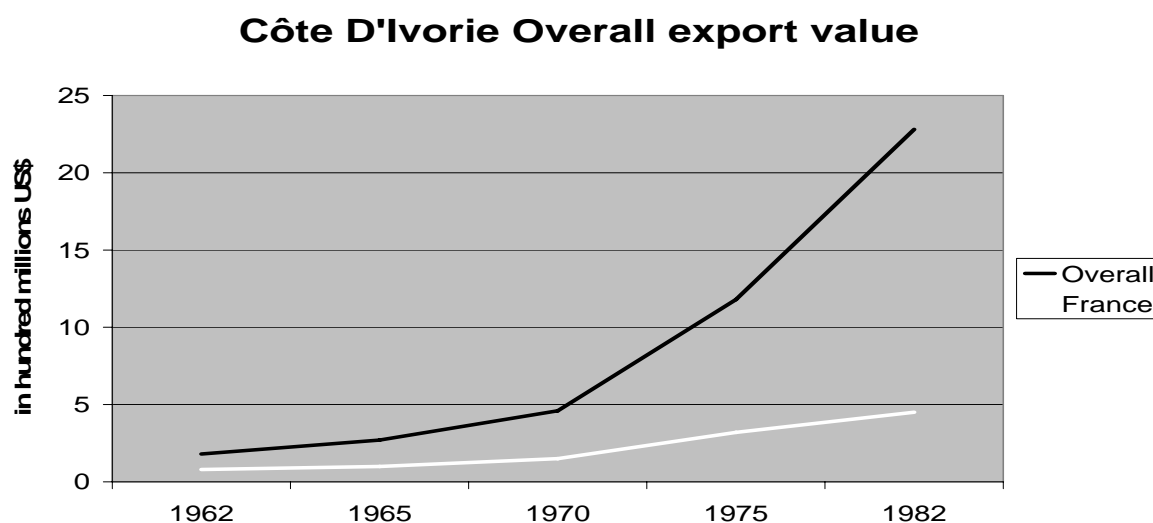
Although 1970-1982 included a decade of rapid growth in trade value, the annual rate of real Gross National Product (GNP) showed negative 0,5 percent during the same time frame<sup>100</sup>. This raises the question of underdevelopment, growth without development. Development can be examined on endless levels of societies and to take certain trade statistics and to compare it with the annual rate of real GNP is hardly enough to promulgate that growth without development exists.

In both Côte D'Ivoire and Ghana the foundation for economic development after independence was based on the same export products that were introduced by the Europeans during the colonial times. Therefore, trade can be used as an indicator of economical development in the selected countries. From this point of view, Ghana's deficit in trade balance shows growth of trade without any beneficial development, as the total sum of the trade remained negative. The deficit trade balance affected the country's export earnings as well as the balance of payments, which led to more debt. The greater growth in imports than exports was the reason for the trade deficit and so

<sup>100</sup> Riboud 1987, p.2

if one takes trade to be the indicator of development then one can say that in Ghana's case there was growth without development. At this point, Fieldhouse's conclusion that trade, specialization and comparative advantage have always led to growth and not to underdevelopment, can be examined. For Ghana, the export scene did grow and develop. There is a significant increase in Ghana's export potential during 1962 – 1982. Efforts were made to exploit the export production to the maximum and it was successful. Growth and development existed. Only the effects of the export production expansion are debatable and will be examined later.

The United State's decision to end redemption of the dollar for gold and the oil crises led to a period of decline in the world economy during the 1970s and early 1980s. These factors contributed to Ghana's negative GNP, but the same sampling for Côte D'Ivoire betokens a completely different pattern. The overall trade experienced growth throughout the given time frame with a peak during 1970-1982(see charts 7 and 8).

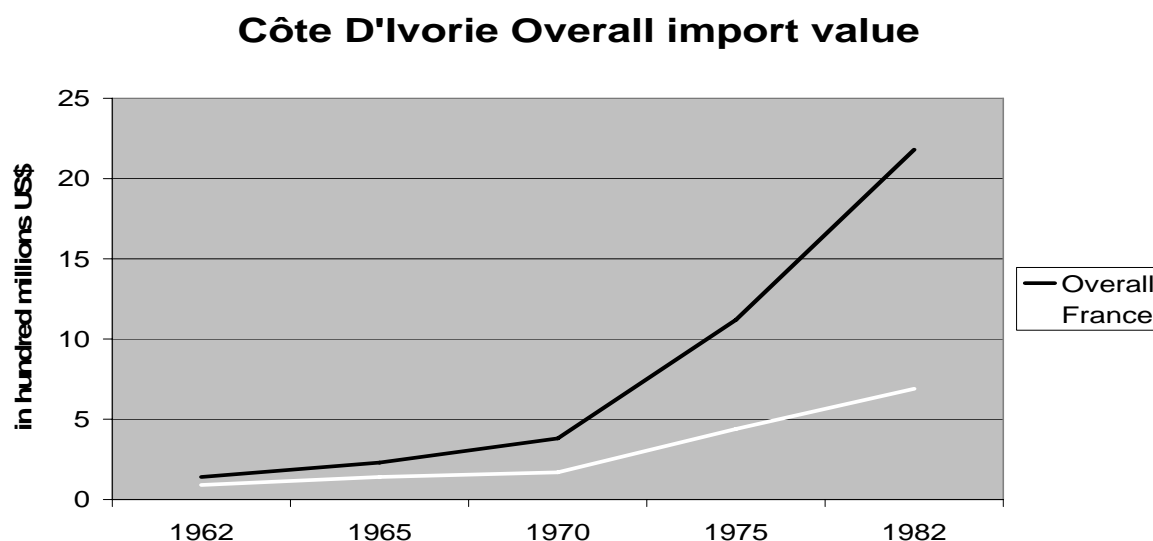


**Chart 7.** Côte D'Ivoire's export value overall and with former colonial mother country during 1962-1982(United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

Côte D'Ivoire's trade balance showed surplus every year of outtake (for trade balance see chart 4) and the annual rate of real GNP, which for Ghana showed a negative figure, was 5,7 percent for Côte D'Ivoire during 1970-1982<sup>101</sup>. One explanation for this can be found in the diversification

<sup>101</sup> Riboud 1987, p.2

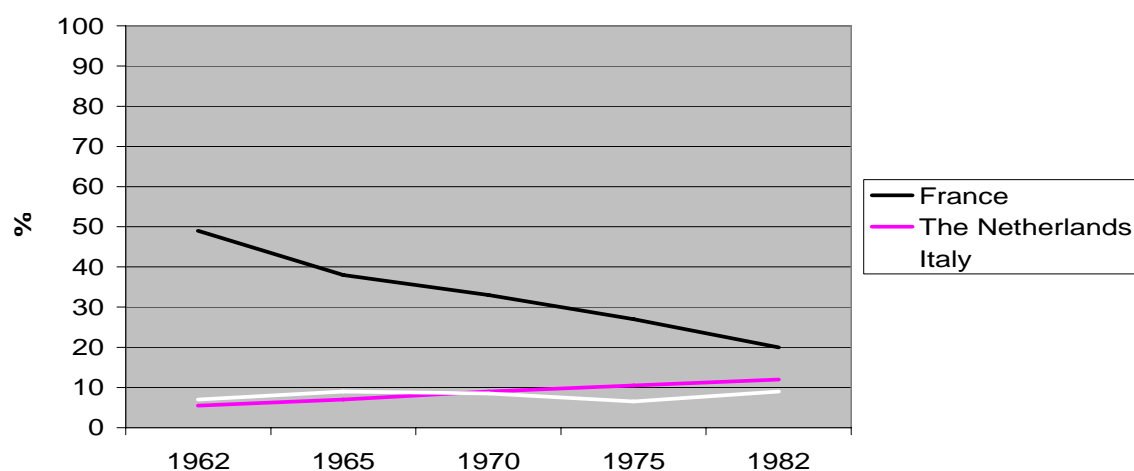
of Côte D'Ivoire's exports and export production's essential link to imports. This will be examined later, but first attention must be given to the fact that the diagrams representing the overall trade value and diagrams representing trade value with former colonies mirror one another (charts 5 – 8, 11 and 12).



**Chart 8.** Côte D'Ivoire's import value overall and with former colonial mother country during 1962-1982 (United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

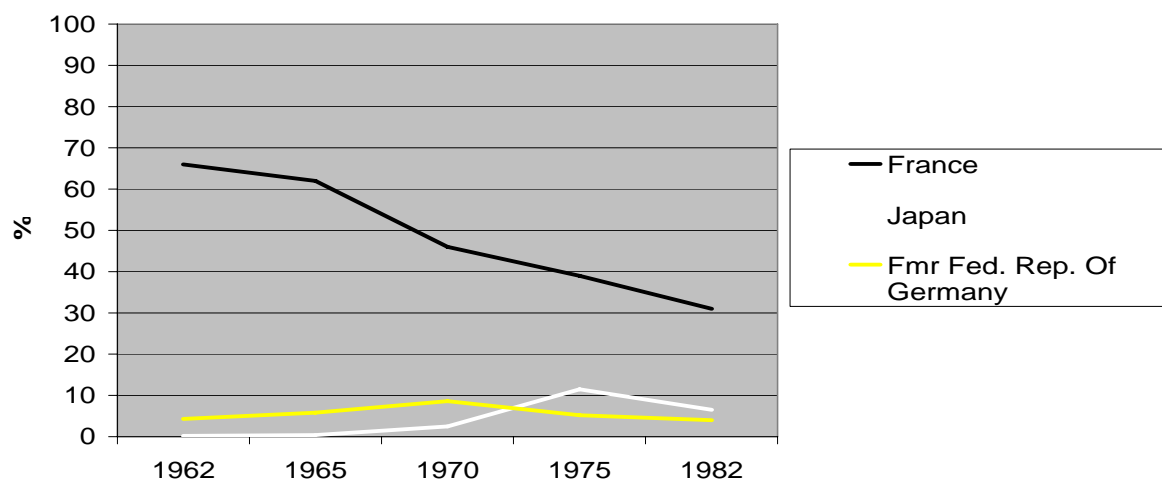
For Ghana, the diagrams representing the United Kingdom's trade value in both exports and imports is nearly identical to the overall diagram (charts 5 and 6). A similar rise-and-drop pattern can be noted during 1975 to 1982. The United Kingdom's overall trade value does not have the same rapid peak of growth during 1970-1980 as one can note happening in Ghana's overall trade. Similar notes can be made on Côte D'Ivoire's charts though the similitude of the diagrams is less evident. Until 1970 France's trade value mirrors the overall trade value (charts 7 and 8). In 1970 a drop can be noted in both the overall value and France's trade value. Thereafter, the overall trade grows more rapidly during 1970 to 1982. The question is what reflects what? Is the decline in the overall trade a response to the decline with the former mother countries or vis-à-vis?

### Côte D'Ivoire



**CHART 9.** Côte D'Ivoire's three major export partners during 1962-1982 (United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

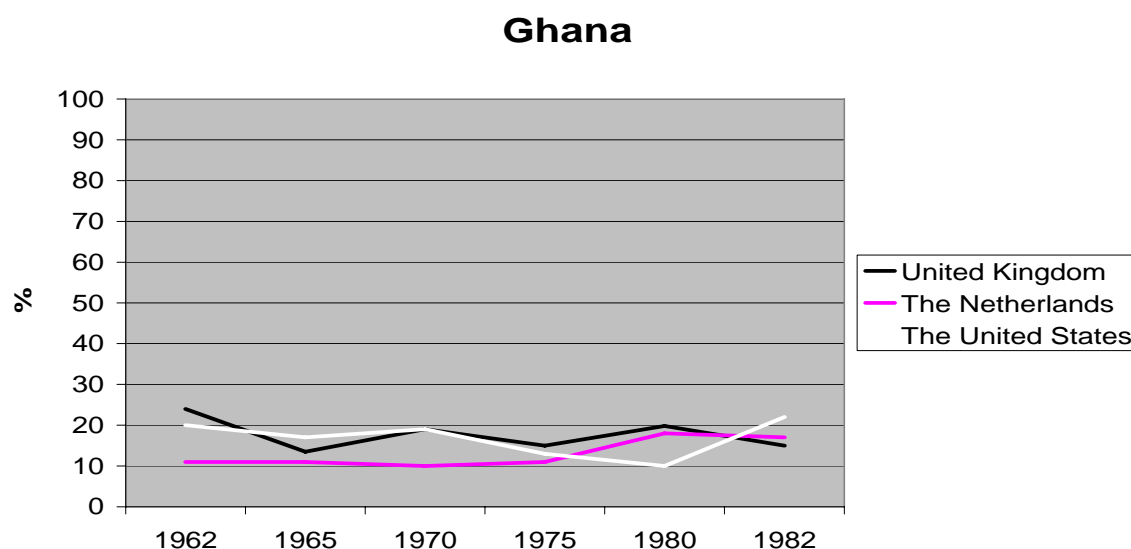
### Côte D'Ivoire



**CHART 10.** Côte D'Ivoire's three major import partners during 1962-1982 (United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

For Côte D'Ivoire, the explanation could be the diversion of its trading partners. Even though France's trade value keeps steadily rising during the time frame (charts 7 and 8), its percentage share of total trade declines, which indicates a more diverse trade scene (charts 9 and 10). The strongest decline of France's percentage can be noted during the 1960s. At that time the United States gradually emerged as a major export and import destination for Côte D'Ivoire. Other ex-

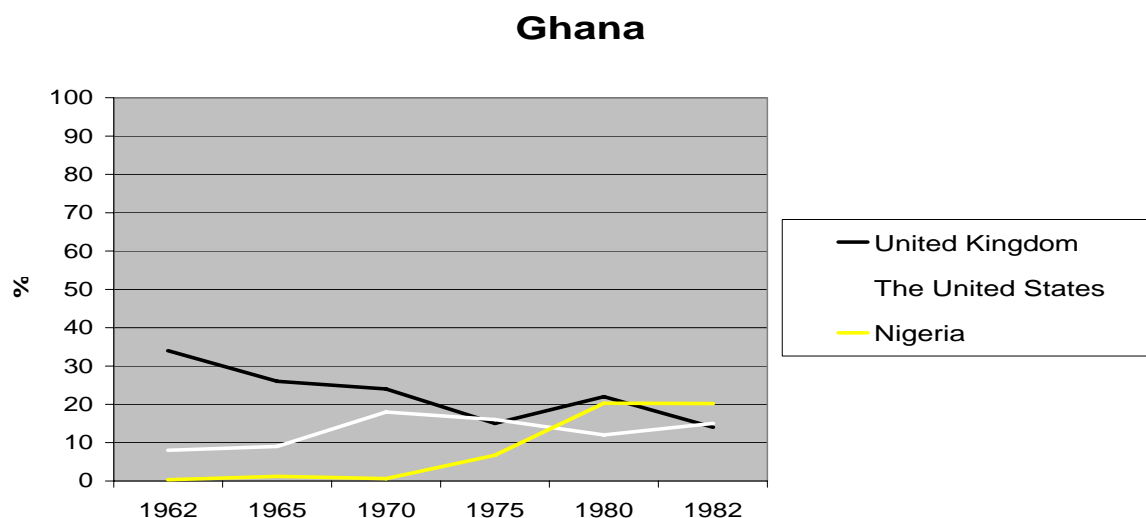
port partners emerging were the Netherlands, Italy and Former Federal Republic of Germany as an import source. Although the trade scene was diversifying, Côte D'Ivoire's trade was still conducted mainly with industrialized European countries. Inter-African trade started to develop from the early 1970s onwards, speeding up towards the turn of the decade. By 1982, Nigeria and Burkina Faso had gained little less than 5 percent share of Côte D'Ivoire's overall trade. First, Nigeria emerged as an import source for *Petroleum and petroleum products*. Then, Burkina Faso followed as an export destination from the mid-1970s onwards, tripling its export value by 1982. The interesting fact is that more than 40 percent of exports to Burkina Faso were *Petroleum and petroleum products*. Was Côte D'Ivoire just a through-passage for Nigeria's *Petroleum and petroleum products*? This will be answered later.



**CHART 11.** Ghana's three major export partners during 1962-1982 (United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

Ghana's relationship with the United Kingdom is more debatable. The rise-and-drop pattern during 1975-1982 recurs in the United Kingdom's percentage (chart 11 and 12) but the reason for this behavior remains ambiguous. Ghana had more trading partners from the beginning and no country had hegemony status. Early on, the Former Federal Republic of Germany was among the main trading partners and the Former Soviet Union a major export destination. The only similarity to Côte D'Ivoire's trade development is the emergence of African trade partners during the 1970s. These were Nigeria and Libya, which became major import sources for *Petroleum and*

*petroleum products*. In 1982, Nigeria and Nigeria both had nearly a 10 percent share of all Ghana's imports.<sup>102</sup>



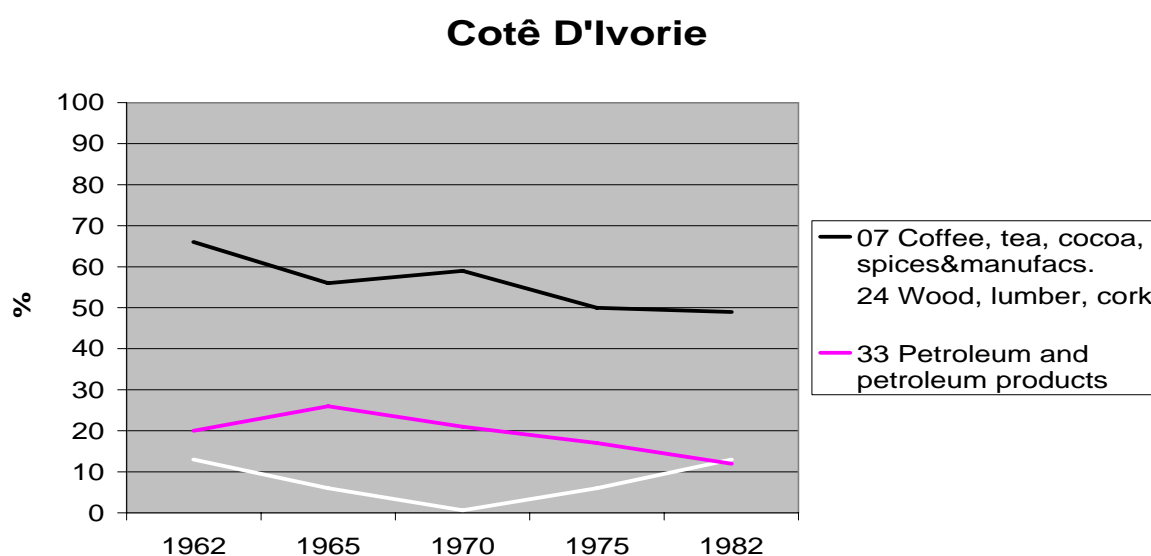
**CHART 12.** Ghana's three major import partners during 1962-1982(United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

When looking at the major trading partners it becomes evident that former mother countries continued to be major trading partners for Côte D'Ivoire and Ghana (charts 9 – 12). France has near hegemony of Côte D'Ivoire's total trade as other trading partners are left in the margins (charts 9 and 10). This composition especially is emphasized in imports where France still contributed about 30 percent of Côte D'Ivoire's total imports in 1982. Yet it is notable that France's share declines by half in both exports and imports during the given time frame. Ghana's trade scene is more divided between the three major partners and here too the share of the former mother colony declines almost by half during the time frame (charts 11 and 12). Nevertheless, the United Kingdom's share of Ghana's total trade doesn't mach up to France's hegemony in Côte D'Ivoire's charts. In 1975 the United States took over the United Kingdom's role as the major import partner with Ghana (chart 12). The United Kingdom's share was challenged from the mid-1970s onwards leaving it third biggest import partner in 1982 after the USA and Nigeria. Nigeria was Ghana's main source for petroleum and petroleum products.<sup>103</sup>

<sup>102</sup> United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>

<sup>103</sup> United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>

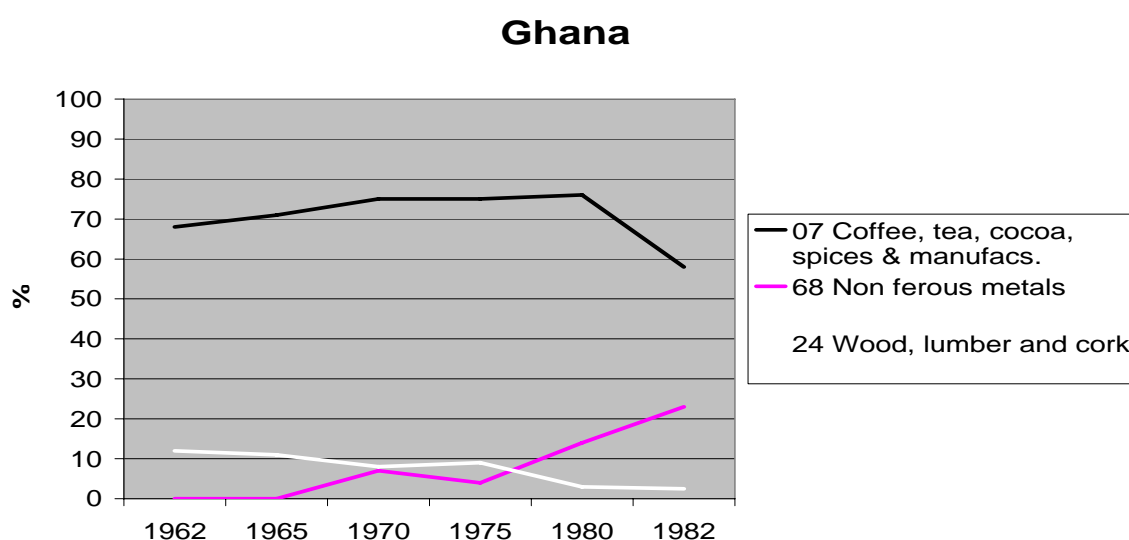
The reason for the very different trade charts between Côte D'Ivoire and Ghana can be found in their relations to the former mother countries. Côte D'Ivoire was reluctant to become independent in the first place whereas Ghana had a long history of agitation against foreign rule. After independence Côte D'Ivoire continued to have strong relations with its mother country and built independent Côte D'Ivoire with French technical assistance and other types of aid. Though Ghana didn't completely cut relations to its former mother country, Ghana sought new external relations elsewhere. The unstable internal political conditions in the country reflected its external relations. This can, *e.g.*, be seen in the search for trading partners from the socialist countries.



**CHART 13.** Côte D'Ivoire's three major export products during 1962-1982 (United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

We can note from the earlier chapters that concentration on export commodities left Côte D'Ivoire's and Ghana's economies vulnerable to fluctuations in the world market and in the terms of trade. But the degree of vulnerability is arguable. In the end all countries in the world are vulnerable to fluctuations in the world market and in the terms of trade. The oil price, *e.g.*, is a good indicator of everyday vulnerability. An increase in the price of oil increases the prices of all the commodities where oil is part of the production chain. Increases in oil prices lead to higher transport costs that increase the prices of international trade and translate to households as higher food prices in the local supermarket. In both countries *Coffee, tea, cocoa, spices & manufacs.* dominate the total exports having more than a 50 percent share during the given time frame (charts 13 and 14). 25 percent of all Côte D'Ivoire's *Coffee, tea, cocoa, spices & manufacs.* ex-

ports went to France and 20 percent to the Netherlands. Ghana's main destinations for all *Coffee, tea, cocoa, spices & manufacs.* exports were the United Kingdom, with 16 percent, and the Netherlands, with a 15 percent share.<sup>104</sup> When a country is so dependent on the success of the main export product it would make sense to attempt to reduce the domination by diversifying the variety of export products. In the early 1960s, Côte D'Ivoire did this by introducing pineapples, bananas, palm trees, rubber and cotton for export production<sup>105</sup>. Though the new exports were not to challenge the three main exports, indications of diversification can be seen. The total share out of the total exports for the three main export products gradually decreased<sup>106</sup> during 1962-1982. This indicates a greater variety of export products gradually introduced to the export scene.



**CHART 14.** Ghana's three major export products during 1962-1982(United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

The export of *Petroleum and petroleum products* is an indication of significant petroleum production in Côte D'Ivoire. This is important in the pursuit of a self-sustaining economy as will be presented later. In 1962 the Côte D'Ivoire government established The Ivorian Refining Company (IRC) with the assistance of international oil groups. Oil refining centered in the Abidjan area. The IRC manufactured oil products for the Ivorian and export markets.<sup>107</sup> In 1975

<sup>104</sup> United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>

<sup>105</sup> See more in chapter 2.2

<sup>106</sup> Except for wood, lumber and cork during 1970 to 1982

<sup>107</sup> U.S. Library of Congress, <http://countrystudies.us/ivory-coast/54.htm>, Oil, (read 17.4.2008), Société Ivorian de Raffinage – SIR, <http://www.sir.ci/Francais/html/accueil.html>, Page Accueil, (read 17.4.2008)



offshore petroleum was discovered at the Béliér field, 15 kilometers south from Grand Bassam (see appendix 9). A larger discovery was made in the Espoir field in 1980. More than 40 percent of Côte D'Ivoire's *Petroleum and petroleum products* exports went to Burkina Faso and Mali. Only 10 percent of total *Petroleum and petroleum products* exports went to France.<sup>108</sup> This can be considered a fairly marginal figure in Côte D'Ivoire's statistics remembering the country's strong relations with its former mother country. Petroleum output reached maximum from the Béliér field in 1982 and by 1990 operations at the Béliér field had ceased. Espoir had its peak in 1984 and was shutdown in 1989.<sup>109</sup>

In Ghana's case, where there is less diversity, the share of coffee and cocoa grew until 1980 and the three main categories of export products accounted for nearly 85 percent of total exports in 1982. The very same year the same percentage for Côte D'Ivoire is less than 75 percent. Internationally, the shares presented above are still high. The three main export product categories, *e.g.*, for Argentina contribute only a 41 percent share of total exports during the same time, 39 percent for United Kingdom and 32 percent for India.<sup>110</sup> So when compared to other countries Côte D'Ivoire's and Ghana's export scene can be seen as meager. One could say that Côte D'Ivoire's and Ghana's "mono-economy" led to higher than the median level of vulnerability. But how does this affect Côte D'Ivoire's and Ghana's possibilities for sustained development?

When the dominating exports are agricultural products their success is dependent on the year's harvest and thus dependent on the year's rainfall and other factors related to farming. STABEX was designed to minimize the negative effects of these types of fluctuations. Both Côte D'Ivoire and Ghana were among the main countries receiving STABEX aid but in the long run it was not enough help. STABEX rewarded failure rather than success and it didn't encourage diversifying the export production. If the foundation of a country's economy is based on the export of seasonal agricultural products this makes long term development planning difficult and very vulnerable if wrong prognoses are made. A good example of this can be found in Côte D'Ivoire where

---

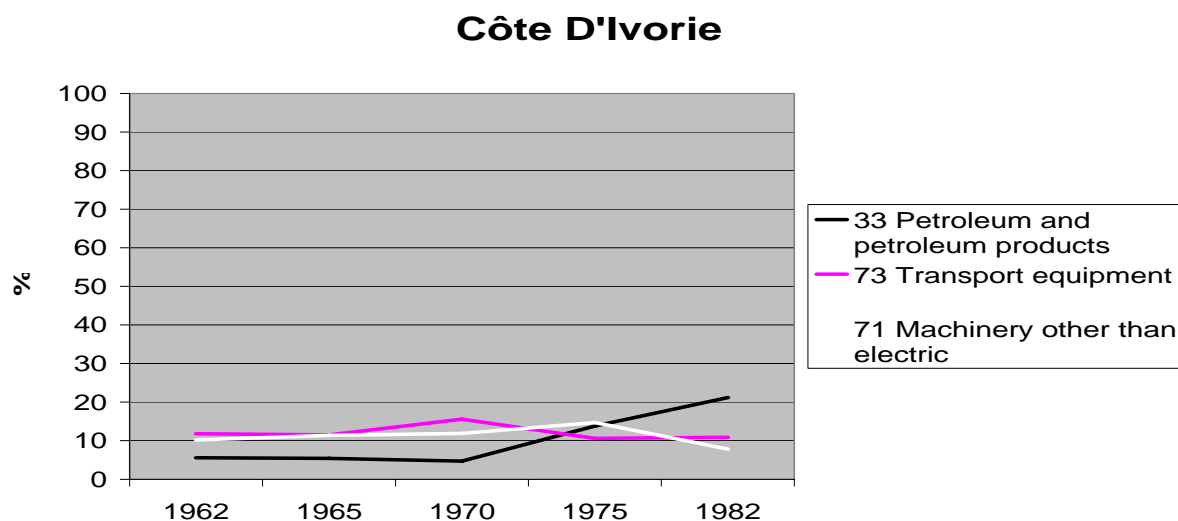
<sup>108</sup> United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>

<sup>109</sup> Hodgkinson 1997, p.338

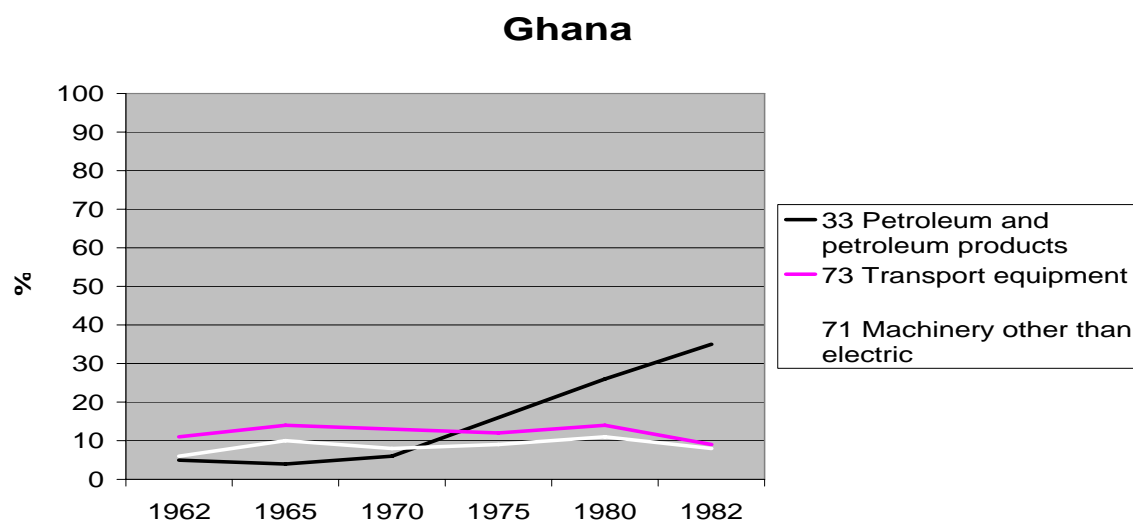
<sup>110</sup> United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>

the stable political environment provided a good impetus for strong economic growth but could not prevent the government from making wrong assumptions. When implementing the ambitious “Loi- Programme” in the late 1970s, part of the funding was planned on good prognoses in the world cocoa and coffee prices. As one can note earlier the prognoses were wrong and, as the world coffee and cocoa prices fell after the boom of 1976 and 1977, Côte D’Ivoire’s economy went into decline.

The import scene in total is more diverse than what one can see in exports. The same product categories are the three main imports for both countries (see charts 15 and 16). It is notable that they all have a link to production of exports. In *Machinery other than electric* one can note it includes agricultural machinery and appliances used for harvesting, threshing and sorting (see appendix 8). *Transport equipment* is vital in order to get the agricultural products from the remote areas to the markets where the products are shipped abroad. *Transport equipment* also includes aircrafts, ships and boats which are used in international trade to get the agricultural products shipped abroad (see appendix 8). *Petroleum and petroleum products* keep the transport equipment running.



**CHART 15.** Côte D’Ivoire’s three major import products during 1962-1982 (United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)



**CHART 16.** Ghana's three major import products during 1962-1982 (United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

Roughly, one can say that all three main import categories relate to getting the agricultural products exported abroad. Agricultural machinery and appliances are used for farming the primary agricultural product. *Transport equipment* is used to getting the harvest product from the remote areas to destinations where it is shipped abroad and *Petroleum and petroleum products* are there to keep this chain running. As all three main import categories are vital in maintaining the export scene this increases the dependency on the elements imported from abroad. This creates a vicious cycle where the success of exports is dependent on imports. For Côte D'Ivoire and Ghana this means stronger control of their economies from abroad as their economies are based on the success of the agricultural exports. When the success of agriculture relies strongly on the elements imported from abroad this emphasizes the dependency of the main imports even further. This vicious circle greatly benefits the importers and gives them chances to exploit the situation, *e.g.*, when negotiating the terms of trade. As for Côte D'Ivoire and Ghana, economic development is linked to the success of exports, which are dependent on the imports; therefore economic development in the countries means more income to the importers. This way the elements imported from abroad have a direct impact on a country's economic development. Roughly speaking without *Transport equipment*, *Petroleum and petroleum products* and *Farming machinery* the exports would not be running and the economies would go into crisis.

The above gives an explanation for the major differences in Côte D'Ivoire's and Ghana's trade balance and relative Gross National Product during 1970-1982. Côte D'Ivoire's economic boom created resources to develop the country's manufacturing sector. By the mid 1970s, the manufacturing industry had multiplied by fourfold in Côte D'Ivoire.<sup>111</sup> This way the expansion of agricultural export production didn't automatically mean a rise in imports since the development of the manufacturing industry reduced Côte D'Ivoire's dependency on imported manufactured goods. It is not evident in Riboud's text what kind of goods the manufacturing industry in Côte D'Ivoire produced. Nevertheless, the development of the manufacturing industry reduced the dependency on imports either in the form of new sources of income or in the form of replacing products imported for export production. Ghana's unstable environment and poor economy didn't leave resources for major industrial development<sup>112</sup>. This meant that the expansion of export production meant an increase in imports. As imports surely included more than just elements used in export production, the expansion in exports influenced imports and thus created trade deficit. This continuous trade deficit is reflected in the negative GNP. So, from which destinations do these valuable imports come from?

For both Côte D'Ivoire and Ghana the same countries appear as the main sources of imports. *Petroleum and petroleum products* came mainly from Nigeria and all the others from the former mother countries. During 1962 – 1982, 57 percent of all Ghana's *Petroleum and petroleum products* came from Nigeria. Côte D'Ivoire had more diversity in import sources and, though Nigeria was the top importer for *Petroleum and petroleum products*, its share remained 22,4 percent. More than 30 percent of *Machinery other than electric* and *Transport equipment* came from the United Kingdom to Ghana. 44 percent of total *Transport equipment* imports and 35,2 percent of *Machinery other than electric* came to Côte D'Ivoire from France.<sup>113</sup> The same categories appear in the trade between the mother countries.

Nearly all the main import categories from the former mother countries relate to industry (charts 17 and 18). Some of the categories have a more significant role in economic development than

---

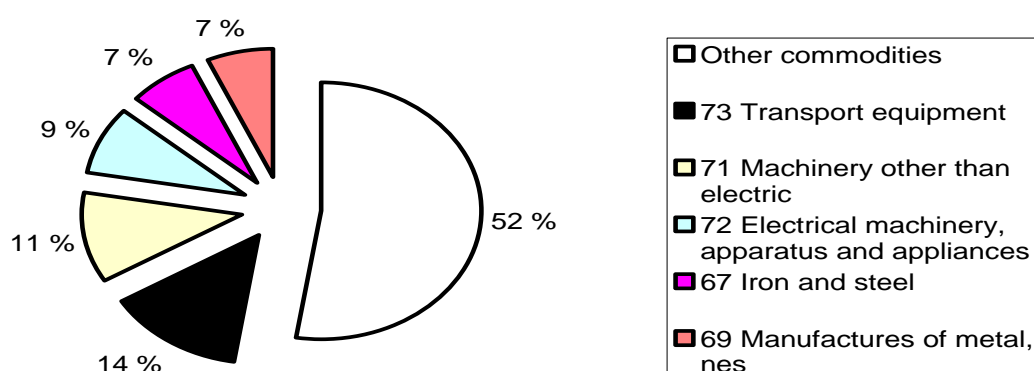
<sup>111</sup> Riboud 1987, p.6

<sup>112</sup> Or at least this doesn't come evident in the books used in chapter 2.2

<sup>113</sup> United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>

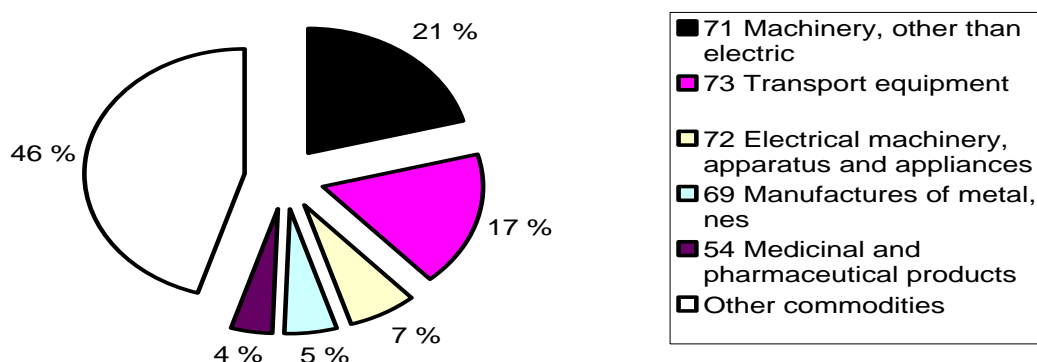
others. *Electrical machinery, apparatus and appliances* include equipments and elements which are needed in electricity production (see appendix 8). Electricity is needed in all business and private sectors of modern societies. Railway tracks, which are included in *Iron and steel*, are needed to connect the remote areas to the railway network. A better railway network means better accessibility to all parts of the country and lower transport costs for getting the export products to the main markets.

### Imports from France 1962-82



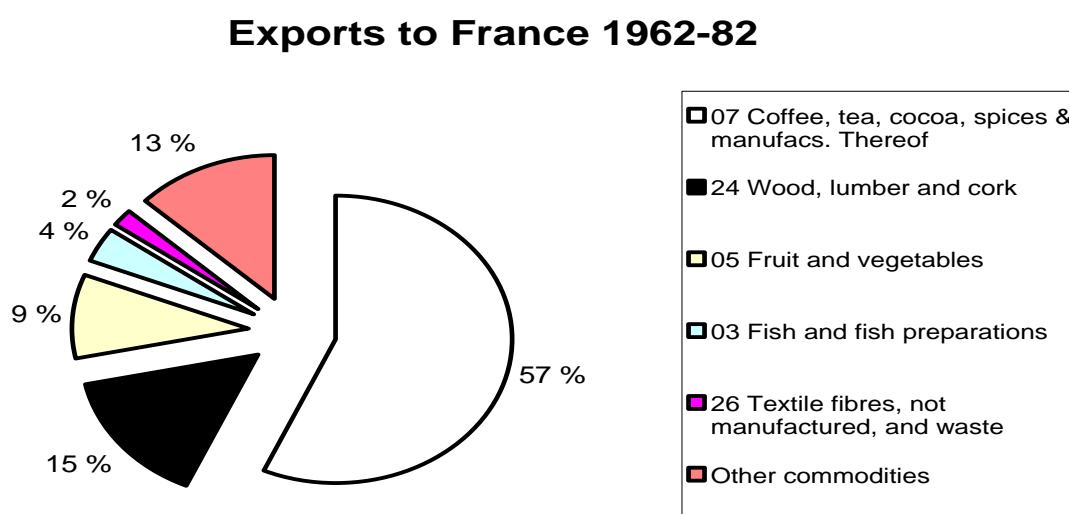
**Chart 17.** Import products from France to Côte D'Ivoire during 1962-1982 (United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

### Imports from United Kingdom 1962-82



**Chart 18.** Import products from United Kingdom to Ghana during 1962-1982 (United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

Even *Medicinal and pharmaceutical products* can be seen as linked to export production. *Medicinal and pharmaceutical products* include products that are needed in every day well-being (appendix 7). Vitamins and antibiotics mean healthier human resources and a stronger labor force. All in all, the imports from the former mother countries have a lot of variation. Even though the categories presented above have an important link to economic development, most of them have a marginal share in the overall imports from the mother countries.



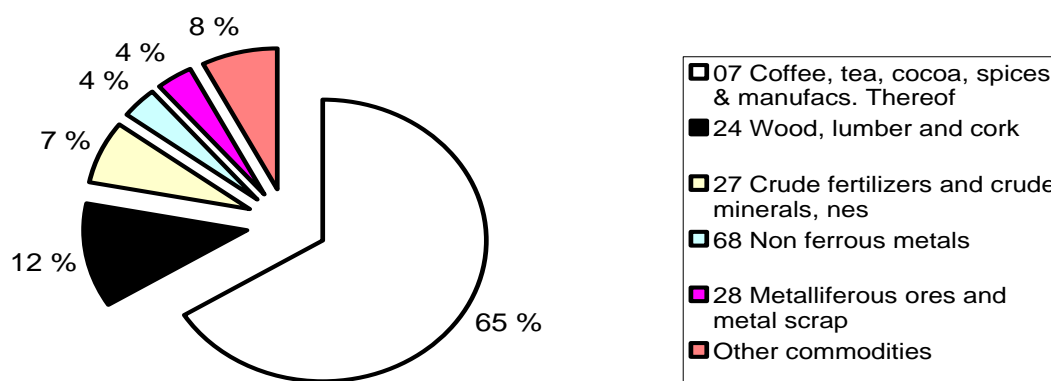
**Chart 19.** Exports to France from Côte D'Ivoire during 1962-1982 (United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

The shares in the exports to former mother countries (charts 19 and 20) reflect what is seen in the overall export charts. Exports of coffee and cocoa led. *Petroleum and petroleum products* contributed, at best, nearly 30 percent of Côte D'Ivoire's total exports (see chart 13), but is not present in the main product categories exported to France. France's main *Petroleum and petroleum products* importer during 1962 – 1982 was Saudi Arabia which accounted for 29 percent of all *Petroleum and petroleum products* imports during the given time frame.<sup>114</sup> It is interesting to note that Côte D'Ivoire's exports to France are mainly agricultural, out-of-nature products, even though the Côte D'Ivoire government had major industrialization programs. Similar products

<sup>114</sup> United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>

were traded during the colonial period<sup>115</sup>. For Ghana the import categories to the United Kingdom adapt better to what one can see in the overall export scene.

### Exports to United Kingdom 1962-82



**Chart 20.** Exports to United Kingdom from Ghana during 1962-1982 (United Nations Statistics Division – Commodity Trade Statistics Database Comtrade; <http://comtrade.un.org/>)

It is useful to bear in mind that all the items examined above represents the divisions in the SITC trade classification. Therefore one can not know with certainty what kind of machinery has been imported from the mother countries. Agricultural machinery is just a subdivision in *Machinery other than electric*. Thus, one cannot say that all the machinery from the mother colonies relate to the vicious cycle presented earlier. One can only see indications of that kind of behavior. Côte D'Ivoire's and Ghana's overall trade scene does, at best, give a slight indication that dependency on imports and domination from abroad are present in the form of vital imports to the export production.

<sup>115</sup> See chapter 2.2

## 5. Conclusive words

When Côte D'Ivoire and Ghana gained their independence the structures of the societies were present as they were built during the colonial times. After independence their economic performance became dependent on the success of a very limited number of export products. The most important exports were the same agricultural products which were introduced by their European conquerors. These accounted for more than 50 percent of total exports during the given time frame. This development is understandable as the know-how and structures were there from the colonial times. The concentration on the agricultural exports and their significance to the overall economic performance left the countries' economies more vulnerable to fluctuations than what can be on average expected of independent economic performance. For this part I agree with Rodney's and Amin's theories.

Imports were vital for the agricultural exports and this created a vicious cycle as expansion in the agricultural production increased import costs. This way there was economic domination from outside as Amin has presented in his theory of underdevelopment. Two of the three main import categories came from the former mother countries, which remained important trading partners for both Côte D'Ivoire and Ghana. To some level, the success of Côte D'Ivoire's and Ghana's economies was dependent on the imports from the former mother countries. Therefore, diversification away from the colonial structures was important in search for greater economic independency. Côte D'Ivoire succeeded in this better than Ghana. Côte D'Ivoire continued having strong relations to France after gaining independence and received technical and financial assistance from France. This gave Côte D'Ivoire more time to develop an independent economy. The transition from colonial towards independent economy was controlled and smooth. This, with great economic growth and a stable internal situation, enabled diversification of exports and development of the manufacturing industry. These actions reduced the country's dependency on imports and emphasized self-sufficiency. Independent Ghana, on the other hand, had a more experimental foreign policy and the United Kingdom was just one of the main trading partners. Ghana executed its own economic policy with poor results. The country did not have the same stable and controlled environment that Côte D'Ivoire had in order to develop self-sufficiency and reduce dependency on imports. Ghana exploited its agricultural exports to the maximum and doubled its export value within the given time frame. Yet, its import costs grew more in relation to exports



and Ghana's trade balance was deficit every year with the exception of 1970. This led to more debt and more economic problems, which resulted internal restlessness. However, it is good to bear in mind that these conclusions are made in the light of selected statistical evidence. More research is needed in order to make any profound conclusions. A country's internal political performance, *e.g.*, is one important factor that contributes to any economy. Côte D'Ivoire's stable environment provided better possibilities for economic growth than what was the case in Ghana, where one can see several *coups* already during the first twenty years of independence.

All in all, during the given time frame one can see growth in trade and development towards a more independent economy in both Côte D'Ivoire and Ghana. It has become evident that the effects of colonial trade can be seen in Côte D'Ivoire's and Ghana's trade statistics after they gained their independence. The effects can be seen in the products being traded and in the countries' trading partners. Evidence presented in this study indicates that the colonial economy was not designed to encourage self-sufficiency, but rather dependency on the mother countries. The effects of colonial trade can be seen limiting Côte D'Ivoire's and Ghana's possibilities of getting the full potential out of their economies.

## 6. References

### Primary source of information

United Nations Statistics Division – Commodity Trade Statistics Database Comtrade;  
<http://comtrade.un.org/>

### References

Ali-Dinar, Ali B. 2008. French in West Africa, University of Pennsylvania – African Studies Centre, French in West Africa, [http://www.africa.upenn.edu/K-12/French\\_16178.html](http://www.africa.upenn.edu/K-12/French_16178.html), read 25.1.2008

Amin, Samir 1974. Accumulation on a World Scale: A Critique of the Theory of Underdevelopment, Volume 1, Monthly Review Press, New York 1974, pp. 4 - 15

Austin, Dennis 1974. Recent History of Ghana, in Africa South of Sahara 1974, fourth edition, Europa Publications Limited 1974, London England, p.348-354

Boahen, Adu 1978. Politics in Ghana 1800-1874, in History of West Africa 1974, edited by Ade Ajayi, J.F. and Crowder, Michael, volume two, Longman Group Limited 1974, London England, pp.169, 259-260

Brown, Richard 1992. European Colonial Rule in Africa, in Africa South of Sahara 1993, twenty-second edition, Europa Publications Limited 1992, London England, p.13-16

Cameron, Rondo 1989. A Concise Economic History of the World, Oxford University Press 1989, New York, p.394

Canadian Council of Africa, Ivory Coast,  
[http://www.ccafrica.ca/country/cotedivoire/map\\_political.jpg](http://www.ccafrica.ca/country/cotedivoire/map_political.jpg), read 05.05.08

Crowder, Michael 1980. History Of French West Africa Until Independence, in Africa South of Sahara 1980-81, tenth edition, Europa Publications Limited 1980, London England, pp. 167-171

Crowder, Michael and Cruise O'Brien, Donald 1974. French West Africa 1945 – 1960, in History of West Africa, edited by Ade Ajayi, J.F. and Crowder, Michael, volume two, Longman Group Limited 1974, London England

Cruise O'Brien, Donald B. 1980. Recent History of Ivory Coast, in Africa South of Sahara 1980-81, tenth edition, Europa Publications Limited 1980, London England, pp. 494 - 495

Engelbert, Pierre 1997. Recent History of Côte D'Ivoire, in Africa South of Sahara 1997, twenty-sixth edition, Europa Publications Limited 1996, London England, p.330

Fieldhouse, D.K. 1999. The West and the Third World, Blackwell Publishers, Oxford 1999, pp.164 - 355

Hallet, Robin 1974. Africa Since 1875, The University of Michigan Press 1974, United States of America, p.275

Hodgkinson, Edith 1997. Economic history of Côte D'Ivoire, in Africa South of Sahara 1997, twenty-sixth edition, Europa Publications Limited 1996, London England, pp.336, 338

Holland, Martin 2002. The European Union and the Third World, Palgrave 2002, New York, pp. 25 – 52

Hopkins, A.G. 1973. An Economic History of West Africa, Longman Group Limited 1973, London, p.174

Laaksonen Kalle, Mäki-Fränki Petri, Virolainen Meri 2006. Lomé Conventions Agriculture and Trade Relations Between the EU and the ACP Countries 1975 – 2000, Pellervon taloudellisen tutkimuslaitoksen työpapereita no:89, Pellervon taloudellinen tutkimuslaitos 2006, Helsinki, pp. 7-14

Mc Caskie, T. C. 1985. Recent History of Ghana, in Africa South of Sahara 1986, fifteenth edition, Europa Publications Limited 1985, London England, pp.458-459

Mc Caskie, T. C. 1987. History of British Colonialism in Africa, in Africa South of Sahara 1988, seventeenth edition, Europa Publications Limited 1987, London England, p.31

Niane D.T. 1984. Conclusions, in General History of Africa IV, Africa from the Twelfth to the Sixteenth Century, edited by D.T., Unesco 1984, University of California Press 1984, Berkeley, the United States, p.673

Reynolds, Lloyd 1985. Economic Growth in the Third World 1850 – 1980, Economic Growth Center Publication 1985, Yale University, United States, p.42

Riboud, Michelle 1987. The Ivory Coast 1960-1986, Country Studies number 4, International Centre for Economic Growth 1987, United States of America, pp.v -19

Rimmer, Douglas 1974. Economy in Ghana, in Africa South of Sahara 1974, fourth edition, Europa Publications Limited 1974, London England, p.354-356

Rodney, Walter 1972, How Europe Underdeveloped Africa, Bogle-L'Ouverture Publications London and Tanzania Publishing House, Howard University Press, Washington D.C. 1974, pp. 13-30

Santos, Sandra 1997. Lomé Convention, Discussion Papers, Government Institute for Economic Research 1997, Helsinki, Finland, pp.12 - 15

Société Ivoirian de Raffinage – SIR, Page Accueil, <http://www.sir.ci/Francais/html/accueil.html>, read 17.4.2008

Tuinder, Bastiaan A. 1978. Ivory Coast the Challenge of Success, World Bank publication, The John Hopkins University Press 1978, Baltimore and London, pp.10-19

United Nations Statistics Division – Commodity Trade Statistics Database Comtrade, Read Me First, <http://comtrade.un.org/db/help/uReadMeFirst.aspx>, (read 26.4.2008)

United Nations Statistics Division – Commodity Trade Statistics Database Comtrade, First Time User, <http://comtrade.un.org/kb/article.aspx?id=10062>, (read 26.4.2008)

United Nations, 1961. Standard International Trade Classification Revised, Statistical Papers series M no. 34, United Nation Publication 1961, New York, the United States, pp.v-45

U.S Department of State, <http://www.state.gov/countries/>, read 24.4.2008

U.S Department of State, Background Note: Côte D'Ivoire, <http://www.state.gov/r/pa/ei/bgn/2846.htm>, November 2007, read 28.1.2008

U.S. Library of Congress, Oil, <http://countrystudies.us/ivory-coast/54.htm>, read 17.4.2008

Van Buren, Linda 1997. Economy in Ghana, in Africa South of Sahara 1997, twenty-sixth edition, Europa Publications Limited 1996, London England, p.448-449

Warren, Bill 1980. Imperialism Pioneer of Capitalism, Villiers Publications Ltd 1980, London, pp. 125 – 139

Wee, Herman Van Der 1987. Prosperity & Upheaval The World Economy 1945-1980, University of California Press 1987, Berkeley, the United States, p.52

Vehnämäki, Mika 2000. Political Elite's Ideology, Economic policy and regional economic development in Ghana, Helsinki School of Economics and Business Administration, HeSE print 2000, Helsinki, p. 77-79

Von Albertini, Rudolf 1982. European Colonial Rule 1880 – 1940 *The Impact of the West on India, Southeast Asia, and Africa*, Greenwood Press 1982, Connecticut United States, pp.488 – 514

## **Bibliography**

Todaro, Michael P. 1977. Economic Development in the Third World, Longman Group 1977, London, United Kingdom

Todaro, Michael P. 1994. Economic Development, fifth edition, Longman Group 1994, London, United Kingdom

Todaro, Michael P. 2000. Economic Development, seventh edition, Pearson Education Limited 2000, Essex, United Kingdom

Martin, Matthew 1987. Crisis Management: Solving Africa's Debt Problem?, in Economic Development in Africa, edited by Aknirinade and Barling, Pinter Publishers Ltd., London 1987

Reed, Geoffrey and Södersten, Bo 1994. International Economics, third edition, Macmillan Press Limited 1994, Chippenham, United Kingdom

Johns, Richard Anthony 1985. International Trade Theories and the Evolving International Economy, Frances Pinter 1985, London, United Kingdom

Johns, Richard Anthony 1988. Colonial Trade and International Exchange, Frances Pinter 1988, London, United Kingdom

## 7. Appendix

**1. Standard International Trade Classification revision 1. Division 03** (United Nations, 1961. Standard International Trade Classification Revised, Statistical Papers series M no. 34, United Nation Publication 1961, New York, the United States, p.6)

DIVISION 03. FISH AND FISH PREPARATIONS		
031		<i>Fish, fresh and simply preserved</i>
	031.1	/ Fish, fresh, chilled or frozen
	031.2	/ Fish, salted, dried or smoked, but not further prepared
	031.3	/ Crustacea and molluscs, fresh, chilled, frozen, salted or dried
032		<i>Fish, in airtight containers, n.e.s. and fish preparations, whether or not in airtight containers (including crustacea and molluscs)</i>
	032.0	Fish, in airtight containers, n.e.s. and fish preparations, whether or not in airtight containers (including crustacea and molluscs)
	032.0(1)	Prepared or preserved fish (including caviar and caviar substitutes)
	032.0(2)	Crustacea and molluscs, prepared or preserved

**2. Standard International Trade Classification revision 1. Division 05** (United Nations, 1961. Standard International Trade Classification Revised, Statistical Papers series M no. 34, United Nation Publication 1961, New York, the United States, pp.7-8)

DIVISION 05. FRUIT AND VEGETABLES		
051		<i>Fruit, fresh, and nuts (not including oil nuts), fresh or dried</i>
	051.1	Oranges, tangerines or mandarines and clementines
	051.2	Other citrus fruit
	051.3	Bananas (including plantains), fresh
	051.4	Apples, fresh
	051.5	Grapes, fresh
	051.7	Edible nuts, fresh or dried (including coconuts) other than nuts chiefly used for the extracting of oil
		051.7(1) Coconuts, Brazil nuts, cashew nuts, fresh or dried
		051.7(2) Other edible nuts, fresh or dried
	051.9	Fresh fruit, n.e.s.
		051.9(1) Figs, fresh
		051.9(2) Pears and quinces, fresh
		051.9(3) Stone fruit, fresh
		051.9(4) Berries, fresh
		051.9(5) Tropical fruit other than bananas, fresh
		051.9(9) Other fresh fruit
052		<i>Dried fruit (including artificially dehydrated)</i>
	052.0	Dried fruit (including artificially dehydrated)
		052.0(1) Tropical fruit, dried
		052.0(2) Figs, dried
		052.0(3) Grapes, dried (raisins)
		052.0(9) Other dried fruit <sup>1</sup>
053		<i>Fruit, preserved and fruit preparations</i>
	053.2	Fruit, fruit peel, parts of plants, preserved by sugar (drained, glacé or crystallized)
	053.3	Jams, marmalades, fruit jellies, fruit purées and pastes
	053.5	Fruit juices and vegetable juices, unfermented, whether or not frozen
	053.6	Fruit, temporarily preserved
		053.6(1) Fruit preserved by freezing, not containing added sugar
		053.6(2) Fruit preserved by freezing, containing added sugar
		053.6(3) Fruit in temporary preservative
		053.6(4) Peel of melons and citrus fruit not preserved by sugar
	053.9	Fruit and nuts, prepared or preserved, n.e.s. (including fruit in airtight containers)

<sup>1</sup> To avoid further subdivision of BTN 08.02, dried citrus fruit is classified in group 051.

054		<i>Vegetables, fresh, frozen or simply preserved (including dried leguminous vegetables); roots, tubers and other edible vegetable products, n.e.s., fresh or dried</i>
054.1		Potatoes, fresh (not including sweet potatoes)
054.2		Beans, peas, lentils and other leguminous vegetables, dried (including split)
054.4		Tomatoes, fresh
054.5		Other fresh vegetables
054.6		Vegetables, frozen or in temporary preservative
	054.6(1)	Vegetables, frozen
	054.6(2)	Vegetables in temporary preservative
054.8		Vegetable products, roots and tubers, chiefly for human food, n.e.s., fresh or dried
	054.8(1)	Roots and tubers, fresh or dried; sago pith
	054.8(2)	Sugar beet, fresh or dried; sugar cane
	054.8(3)	Chicory roots, fresh or dried, unroasted
	054.8(4)	Hops
	054.8(9)	Vegetable products, fresh or dried, n.e.s.
055		<i>Vegetables, roots and tubers, preserved or prepared, n.e.s., whether or not in airtight containers</i>
055.1		Vegetables, dehydrated (excluding leguminous vegetables)
055.4		Flour and flakes of potatoes, fruits and vegetables (including sago, tapioca)
	055.4(1)	Flours of the leguminous vegetables falling within heading 054.2
	055.4(2)	Flours of the fruits falling within group 051
	055.4(3)	Flour, meal and flakes of potato
	055.4(4)	Flour and meal of the roots and tubers falling within heading 054.8 (1)
	055.4(5)	Tapioca and sago; tapioca and sago substitutes obtained from potato or other starches
055.5		Vegetables preserved or prepared, n.e.s., whether or not in airtight containers
	055.5(1)	Vegetables and fruit, prepared or preserved by vinegar or acetic acid, with or without sugar
	055.5(2)	Vegetables otherwise preserved or prepared, n.e.s.



**3. Standard International Trade Classification revision 1. Division 07** (United Nations, 1961. Standard International Trade Classification Revised, Statistical Papers series M no. 34, United Nation Publication 1961, New York, the United States, p.9)

DIVISION 07. COFFEE, TEA, COCOA, SPICES AND MANUFACTURES THEREOF		
071		<i>Coffee</i>
071.1		Coffee, green or roasted, and coffee substitutes containing coffee
071.3		Coffee extracts, essences, concentrates and similar preparations of coffee
072		<i>Cocoa</i>
072.1		Cocoa beans, raw or roasted
072.2		Cocoa powder, unsweetened
072.3		Cocoa butter and cocoa paste
	072.3(1)	Cocoa paste
	072.3(2)	Cocoa butter (fat or oil)
073		<i>Chocolate and other food preparations containing cocoa or chocolate, n.e.s.</i>
073.0		Chocolate and other food preparations containing cocoa or chocolate, n.e.s.
074		<i>Tea and maté</i>
074.1		Tea
074.2		Maté
075		<i>Spices</i>
075.1		Pepper and pimienta, whether or not ground
075.2		Spices, except pepper and pimento, whether or not ground
	075.2(1)	Vanilla
	075.2(2)	Cinnamon and cinnamon-tree flowers
	075.2(3)	Cloves (whole fruit, cloves and stems)
	075.2(4)	Nutmeg, mace and cardamoms
	075.2(5)	Seeds of anise, badian, fennel, coriander, cumin, caraway and juniper
	075.2(9)	Thyme, saffron, bay leaves and other spices

**4. Standard International Trade Classification revision 1. Division 24** (United Nations, 1961. Standard International Trade Classification Revised, Statistical Papers series M no. 34, United Nation Publication 1961, New York, the United States, pp.11-12)

## **DIVISION 24. WOOD, LUMBER AND CORK**

### *Fuel wood and charcoal*

Fuel wood and wood waste (including sawdust)  
Wood charcoal

### *Wood in the rough or roughly squared*

Pulpwood (including broadleaved)

Sawlogs and veneer logs — conifer

242.2(1) Sawlogs and veneer logs, in the rough — conifer

242.2(2) Sawlogs and veneer logs, roughly squared — conifer

Sawlogs and veneer logs — non-conifer

242.3(1) Sawlogs and veneer logs, in the rough — non-conifer

242.3(2) Sawlogs and veneer logs, roughly squared — non-conifer

Pitprops (mine timber)

Poles, piling, posts and other wood in the rough, n.e.s.

### *Wood, shaped or simply worked*

Railway sleepers (ties)

Lumber, sawn, planed, grooved, tongued, etc., conifer

243.2(1) Lumber, sawn lengthwise, etc., conifer

243.2(2) Lumber, planed, tongued, grooved, etc., conifer

Lumber, sawn, planed, grooved, tongued, etc., non-conifer

243.3(1) Lumber, sawn lengthwise, etc., non-conifer

243.3(2) Lumber, planed, tongued, grooved, etc., non-conifer

244

### *Cork, raw and waste*

244.0

Cork, raw and waste (including natural cork in blocks and sheets)

244.0(1) Cork, unworked, crushed, granulated or ground; waste cork

244.0(2) Cork in blocks, plates, sheets or strips, etc.

**5. Standard International Trade Classification revision 1. Divisions 26-28** (United Nations, 1961. Standard International Trade Classification Revised, Statistical Papers series M no. 34, United Nation Publication 1961, New York, the United States, pp.12-15)

**DIVISION 26. TEXTILE FIBRES (NOT MANUFACTURED INTO YARN, THREAD OR FABRICS) AND THEIR WASTE**

261		<i>Silk</i>
261.1		Silk worm cocoons suitable for reeling
261.2		Unreelable cocoons and cocoon wastes, frisons, silk thread waste and silk noils
261.3		Raw silk (not thrown)
262		<i>Wool and other animal hair</i>
262.1		Sheep's and lambs' wool, greasy or fleece-washed
262.2		Sheep's and lambs' wool, degreased, whether or not bleached or dyed
262.3		Fine animal hair, other than wool, not carded or combed
262.5		Horsehair and other coarse hair, not carded or combed
	262.5(1)	Horsehair and horsehair waste, not carded or combed
	262.5(9)	Other coarse hair, not carded or combed
262.6		Wool shoddy
262.7		Wool or other animal hair, carded or combed (excluding tops)
262.8		Wool tops
262.9		Waste of wool and of other animal hair, n.e.s.
263		<i>Cotton</i>
263.1		Raw cotton, other than linters
263.2		Cotton linters
263.3		Cotton waste, not carded or combed
263.4		Cotton, carded or combed
264		<i>Jute</i>
264.0		Jute (including jute cuttings and waste)
265		<i>Vegetable fibres, except cotton and jute</i>
265.1		Flax and flax tow and waste
265.2		True hemp and true hemp tow and waste ( <i>cannabis sativa</i> )
265.3		Ramie and ramie noils and waste
265.4		Sisal and other fibres of the agave family and their waste
265.5		Manila fibre ( <i>musca textilis</i> ) and Manila tow and waste
265.8		Vegetable textile fibres, n.e.s., and waste of such fibres

\* 265.2 and 265.8 are related to 265-02 and 265-09 of the original SITC.

266		<i>Synthetic and regenerated (artificial) fibres</i>
266		Synthetic fibres suitable for spinning
	266.2(1)	Discontinuous synthetic fibres, not carded or combed
	266.2(2)	Continuous filament tow for the manufacture of discontinuous synthetic fibres
	266.2(3)	Discontinuous synthetic fibres or waste, carded or combed
266.3		Regenerated fibres suitable for spinning
	266.3(1)	Discontinuous regenerated fibres, not carded or combed
	266.3(2)	Continuous filament tow for the manufacture of discontinuous regenerated fibres
	266.3(3)	Discontinuous regenerated fibres or waste, carded or combed
266.4		Waste of synthetic or regenerated fibres, not carded or combed
267		<i>Waste materials from textile fabrics (including rags)</i>
267.0		Waste materials from textile fabrics (including rags)
	267.0(1)	Old clothing and other textile waste imported in bulk
	267.0(2)	Used or new rags, scrap cordage and worn-out articles of cordage, etc.
DIVISION 27. CRUDE FERTILIZERS AND CRUDE MINERALS (EXCLUDING COAL, PETROLEUM AND PRECIOUS STONES)		
271		<i>Fertilizers, crude</i>
271.1		Natural fertilizers of animal or vegetable origin, not chemically treated
271.2		Natural sodium nitrate
271.3		Natural phosphates, whether or not ground
271.4		Natural potassic salts, crude
273		<i>Stone, sand and gravel</i>
273.1		Building and monumental (dimension) stone, not further worked than roughly split, roughly squared or squared by sawing
	273.1(1)	Slate
	273.1(2)	Marble and other calcareous monumental or building stone, etc.
	273.1(3)	Granite, porphyry, sandstone, etc.
273.2		Gypsum, plasters, limestone flux and calcareous stone used for the manufacture of lime or cement
	273.2(1)	Gypsum and plasters
	273.2(2)	Limestone flux and calcareous stone used for the manufacture of lime and cement
273.3		Sand (excluding metal-bearing sand)
273.4		Gravel and crushed stone (including tarred macadam)
274		<i>Sulphur and unroasted iron pyrites</i>
274.1		Sulphur, other than sublimed, precipitated or colloidal sulphur
274.2		Iron pyrites, unroasted
275		<i>Natural abrasives (including industrial diamonds)</i>
275.1		Industrial diamonds
275.2		Natural abrasives
	275.2(1)	Dust and powder of natural or synthetic precious or semi-precious stones
	275.2(2)	Infusorial earths, etc.
	275.2(3)	Pumice stone, emery, natural corundum and other natural abrasives

<sup>1</sup> Groups 273, 274, 275, and 276 are related to group 272 of the original SITC.

<sup>2</sup> 275.1, 275.2(1) and (3) are related to 272-07 of the original SITC.

276		<i>Other crude minerals</i>
276.1		Natural asphalt and natural bitumen
276.2		Clay and other refractory minerals, n.e.s.
	276.2(1)	Clay and similar refractory materials, n.e.s.
	276.2(2)	Natural graphite
	276.2(3)	Dolomite
	276.2(4)	Magnesite
276.3		Salt (including salt put up for retail sale, salt liquors and sea water)
276.4		Asbestos, crude, washed or ground (including asbestos waste)
276.5		Quartz, mica, feldspar, fluor spar, cryolite and chiolite
	276.5(1)	Natural quartz and quartzite
	276.5(2)	Mica (including splittings and waste)
	276.5(3)	Cryolite and chiolite, natural
	276.5(4)	Feldspar, fluor spar, etc.
276.6		Slag, dross, scalings and similar waste, n.e.s.
	276.6(1)	Slag, dross, scalings and similar waste from the manufacture of iron or steel
	276.6(2)	Slag and ash, n.e.s. (including kelp)
276.9		Minerals, crude, n.e.s.
	276.9(1)	Chalk
	276.9(2)	Earth colours, etc.
	276.9(3)	Natural barium sulphate and natural barium carbonate
	276.9(4)	Meerschaum, amber, jet
	276.9(5)	Natural steatite; talc
	276.9(6)	Natural arsenic sulphides
	276.9(7)	Crude natural borates
	276.9(9)	Mineral substances, n.e.s.

#### DIVISION 28. METALLIFEROUS ORES AND METAL SCRAP

281		<i>Iron ore and concentrates</i>
281.3		Iron ore and concentrates (except roasted iron pyrites)
281.4		Roasted iron pyrites
282		<i>Iron and steel scrap</i>
282.0		Iron and steel scrap
283		<i>Ores and concentrates of non-ferrous base metals</i>
283.1		Ores and concentrates of copper (including copper matte)
	283.1(1)	Ores and concentrates of copper
	283.1(2)	Copper matte
283.2		Ores and concentrates of nickel (including nickel matte)
	283.2(1)	Ores and concentrates of nickel
	283.2(2)	Nickel matte and speiss and other intermediate products of nickel metallurgy
283.3		Bauxite and concentrates of aluminium
283.4		Ores and concentrates of lead
283.5		Ores and concentrates of zinc
283.6		Ores and concentrates of tin
283.7		Ores and concentrates of manganese
283.9		Ores and concentrates of non-ferrous base metals, n.e.s.
	283.9(1)	Ores and concentrates of chromium
	283.9(2)	Ores and concentrates of tungsten
	283.9(3)	Ores and concentrates of titanium, vanadium, molybdenum, tantalum, zirconium
	283.9(9)	Other ores and concentrates of non-ferrous base metals, n.e.s.

\* 283.1(2) and 682.1 are related to 682-01 of the original SITC.

\* 283.2(2) and 683.1 are related to 683-01 of the original SITC.

\* 283.9(3), 283.9(9) and 286.0 are related to 283-19 of the original SITC.

284		<i>Non-ferrous metal scrap</i>
284.0		Non-ferrous metal scrap
	284.0(1)	Ash and residues bearing non-ferrous metals, n.e.s.
	284.0(2)	Copper waste and scrap
	284.0(3)	Nickel waste and scrap
	284.0(4)	Aluminium waste and scrap
	284.0(5)	Magnesium waste and scrap
	284.0(6)	Lead waste and scrap
	284.0(7)	Zinc waste and scrap
	284.0(8)	Zinc dust (blue powder)
	284.0(9)	Tin waste and scrap
285		<i>Silver and platinum ores</i>
285.0		Silver and platinum ores
	285.0(1)	Ores and concentrates of silver, platinum and platinum group metals
	285.0(2)	Waste and sweepings of silver, platinum and platinum group metals
286		<i>Ores and concentrates of uranium and thorium</i>
286.0		Ores and concentrates of uranium and thorium

**6. Standard International Trade Classification revision 1. Division 33** (United Nations, 1961. Standard International Trade Classification Revised, Statistical Papers series M no. 34, United Nation Publication 1961, New York, the United States, p.16)

		DIVISION 33. PETROLEUM AND PETROLEUM PRODUCTS
331		<i>Petroleum, crude and partly refined for further refining (excluding natural gasolene)</i>
	331.0	Petroleum, crude and partly refined for further refining (excluding natural gasolene)
	331.0(1)	Crude petroleum
	331.0(2)	Petroleum, partly refined (including topped crudes)
332		<i>Petroleum products</i>
	332.1	Motor spirit (gasolene and other light oils for similar uses, including natural gasolene)
	332.2	Lamp oil and white spirit (kerosene, illuminating oil, jet fuel)
	332.3	Distillate fuels
	332.4	Residual fuel oils
	332.5	Lubricating oils and greases (including mixtures with animal and vegetable lubricants)
	332.5(1)	Lubricating preparations containing at least 70 % by weight of petroleum products
	332.5(2)	Lubricating preparations containing less than 70 % by weight of petroleum products
	332.6	Mineral jelly and waxes (including petrolatum)
	332.6(1)	Petroleum jelly (petrolatum)
	332.6(2)	Mineral waxes
	332.9	Pitch, resin, petroleum asphalt, coke of petroleum and other by-products of coal, lignite, petroleum and oil shale (including mixtures with asphalt), n.e.s., not chemicals
	332.9(1)	Non-lubricating oils, n.e.s.
	332.9(2)	Pitch obtained from coal tar or from other mineral tars
	332.9(3)	Pitch coke
	332.9(4)	Petroleum coke
	332.9(5)	Petroleum bitumen and other petroleum and shale oil residues
	332.9(6)	Bituminous mixtures based on asphalt, petroleum, etc.

**7. Standard International Trade Classification revision 1. Division 54** (United Nations, 1961. Standard International Trade Classification Revised, Statistical Papers series M no. 34, United Nation Publication 1961, New York, the United States, p.21)

**DIVISION 54. MEDICINAL AND PHARMACEUTICAL PRODUCTS**

541		<i>Medicinal and pharmaceutical products</i>
541.1		Vitamins and provitamins
541.3		Penicillin, streptomycin, tyrocidine and other antibiotics
541.4		Opium alkaloids, cocaine, caffeine, quinine and other vegetable alkaloids, their salts and other derivatives
541.5		Hormones
541.6		Glycosides; glands and their extracts; sera, vaccines
	541.6(1)	Glycosides and their derivatives
	541.6(2)	Organo-therapeutic glands or other organs and their extracts
	541.6(3)	Bacterial products, sera, vaccines
541.7		Medicaments
541.9		Pharmaceutical goods
	541.9(1)	Bandages, etc., impregnated or coated with pharmaceutical products or put up for retail sale
	541.9(9)	Other pharmaceutical goods



**8. Standard International Trade Classification revision 1. Divisions 67-73** (United Nations, 1961. Standard International Trade Classification Revised, Statistical Papers series M no. 34, United Nation Publication 1961, New York, the United States, pp.30-39)

		DIVISION 67. IRON AND STEEL
671		<i>Pig iron, spiegeleisen, sponge iron, iron and steel powders and shot and ferro-alloys</i>
	671.1	Spiegeleisen
	671.2	Pig iron (including cast iron)
	671.3	Iron and steel powders, shot and sponge
	671.3(1)	Shot, angular grit and wire pellets of iron or steel
	671.3(2)	Iron or steel powders
	671.3(3)	Sponge iron or steel
	671.4	Ferro-manganese
	671.5	Other ferro-alloys
672		<i>Ingots and other primary forms (including blanks for tubes and pipes) of iron or steel</i>
	672.1	Puddled bars and pilings, blocks, lumps and similar forms of iron or steel
	672.3	Ingots of iron or steel
	672.3(1)	— of other than high carbon or alloy steel
	672.3(2)	— of high carbon steel
	672.3(3)	— of alloy steel
	672.5	Blooms, billets, slabs, sheet bars and roughly forged pieces of iron or steel
	672.5(1)	— of other than high carbon or alloy steel
	672.5(2)	— of high carbon steel
	672.5(3)	— of alloy steel
	672.7	Iron or steel coils for re-rolling
	672.7(1)	— of other than high carbon or alloy steel
	672.7(2)	— of high carbon steel
	672.7(3)	— of alloy steel
	672.9	Blanks for tubes and pipes
673		<i>Iron and steel bars, rods, angles, shapes and sections (including sheet piling)</i>
	673.1	Wire rod of iron or steel
	673.1(1)	— of other than high carbon or alloy steel

\* 671.1, 671.4 and 671.5 are related to 681-02 of the original SITC.

\* 671.2, 671.3(2) and (3) are related to 681-01 of the original SITC.

\* 671.3(1) and 672.1 through 672.7 are related to 681-03 of the original SITC.

\* 672.9 and group 678 are related to 681-13 and 681-14 of the original SITC.

\* 673.1 and 677.0 are related to 681-12 of the original SITC.

	673.1(2)	— of high carbon steel
	673.1(3)	— of alloy steel
673.2		Bars and rods (excluding wire rod) of iron or steel; hollow mining drill steel
	673.2(1)	— of other than high carbon or alloy steel
	673.2(2)	— of high carbon steel
	673.2(3)	— of alloy steel
673.4		Angles, shapes and sections (excluding rails), 80 mm. or more, and sheet piling of iron or steel
	673.4(1)	— of other than high carbon or alloy steel
	673.4(2)	— of high carbon steel
	673.4(3)	— of alloy steel
673.5		Angles, shapes and sections, less than 80 mm., of iron or steel
	673.5(1)	— of other than high carbon or alloy steel
	673.5(2)	— of high carbon steel
	673.5(3)	— of alloy steel
674		<i>Universals, plates and sheets of iron or steel</i>
674.1		Universals and heavy plates and sheets, more than 4.75 mm. in thickness, of iron or steel (other than tinned plates and sheets)
	674.1(1)	Heavy plates and sheets of iron or steel, other than of high carbon or alloy steel (excluding tinned plates and sheets)
	674.1(2)	Heavy plates and sheets and universals of high carbon steel
	674.1(3)	Heavy plates and sheets and universals of alloy steel
	674.1(4)	Universals of iron or steel, other than of high carbon or alloy steel
674.2		Medium plates and sheets, 3 mm. to 4.75 mm. in thickness, of iron or steel (other than tinned plates and sheets)
	674.2(1)	— of other than high carbon or alloy steel
	674.2(2)	— of high carbon steel
	674.2(3)	— of alloy steel
674.3		Plates and sheets, less than 3 mm. in thickness, of iron or steel, uncoated
	674.3(1)	— of other than high carbon or alloy steel
	674.3(2)	— of high carbon steel
	674.3(3)	— of alloy steel
674.7		Tinned plates and sheets
674.8		Plates and sheets, less than 3 mm. in thickness, of iron or steel, coated (excluding tinned plates or sheets)
	674.8(1)	— of other than high carbon or alloy steel
	674.8(2)	— of high carbon steel
	674.8(3)	— of alloy steel
675		<i>Hoop and strip of iron or steel</i>
675.0		Hoop and strip of iron or steel
	675.0(1)	— of other than high carbon or alloy steel
	675.0(2)	— of high carbon steel
	675.0(3)	— of alloy steel
676		<i>Rails and railway track construction material of iron or steel</i>
676.1		Rails of iron or steel
676.2		Sleepers and other railway track material of iron or steel
677		<i>Iron and steel wire (excluding wire rod)</i>
677.0		Iron and steel wire (excluding wire rod)
	677.0(1)	— of other than high carbon or alloy steel
	677.0(2)	— of high carbon steel
	677.0(3)	— of alloy steel
678		<i>Tubes, pipes and fittings of iron or steel</i>
678.1		Tubes and pipes of cast iron

678.2	Tubes and pipes of iron (other than of cast iron) or steel, seamless (excluding clinched)
678.3	Tubes and pipes of iron (other than of cast iron) or steel, welded, clinched, etc.
678.4	High pressure hydro-electric conduits of steel
678.5	Tube and pipe fittings of iron or steel
679	<i>Iron and steel castings and forgings, unworked, n.e.s.</i>
679.1	Iron castings in the rough state
679.2	Steel castings in the rough state
679.3	Iron and steel forgings (including drop forgings) in the rough state
DIVISION 68. NON-FERROUS METALS	
681	Silver, platinum and other metals of the platinum group
681.1	Silver, unworked or partly worked
681.1(1)	Silver, unwrought or partly worked, but not rolled
681.1(2)	Rolled silver, unworked or partly worked
681.2	Platinum and other metals of the platinum group, unworked or partly worked
681.2(1)	Platinum, etc., unwrought or partly worked, but not rolled
681.2(2)	Rolled platinum, etc., unworked or partly worked
682	<i>Copper</i>
682.1	Copper and alloys, whether or not refined, unwrought
682.1(1)	Blister copper and other unrefined copper
682.1(2)	Refined copper (including remelted)
682.1(3)	Master alloys of copper
682.2	Copper and alloys of copper, worked
682.2(1)	Bars, rods, angles, shapes, sections and wire of copper
682.2(2)	Plates, sheets and strip of copper
682.2(3)	Copper foil
682.2(4)	Copper powders and flakes
682.2(5)	Tubes, pipes and blanks therefor and hollow bars of copper
682.2(6)	Tube and pipe fittings of copper
683	<i>Nickel</i>
683.1	Nickel and nickel alloys, unwrought
683.2	Nickel and nickel alloys, worked
683.2(1)	Bars, rods, angles, shapes, sections and wire of nickel
683.2(2)	Plates, sheets, strip, foil, powders and flakes of nickel
683.2(3)	Tubes, pipes, blanks and fittings therefor and hollow bars of nickel
683.2(4)	Electroplating anodes of nickel
684	<i>Aluminium</i>
684.1	Aluminium and aluminium alloys, unwrought
684.2	Aluminium and aluminium alloys, worked
684.2(1)	Bars, rods, angles, shapes, sections and wire of aluminium
684.2(2)	Plates, sheets and strip of aluminium
684.2(3)	Aluminium foil
684.2(4)	Aluminium powders and flakes
684.2(5)	Tubes, pipes and blanks therefor, hollow bars of aluminium
684.2(6)	Tube and pipe fittings of aluminium
685	<i>Lead</i>
685.1	Lead and lead alloys, unwrought
685.2	Lead and lead alloys, worked

	685.2(1)	Bars, rods, angles, shapes, sections and wire of lead
	685.2(2)	Plates, sheets and strip of lead
	685.2(3)	Lead foil, powders and flakes
	685.2(4)	Tubes, pipes, blanks and fittings therefor, hollow bars of lead
686		<i>Zinc</i>
	686.1	Zinc and zinc alloys, unwrought
	686.2	Zinc and zinc alloys, worked
	686.2(1)	Bars, rods, angles, shapes, sections and wire of zinc
	686.2(2)	Plates, sheets, strip, foil, powders (excluding dust) and flakes of zinc
	686.2(3)	Tubes, pipes, blanks and fittings therefor, hollow bars of zinc
687		<i>Tin</i>
	687.1	Tin and tin alloys, unwrought
	687.2	Tin and tin alloys, worked
	687.2(1)	Bars, rods, angles, shapes, sections and wire of tin
	687.2(2)	Plates, sheets and strip of tin
	687.2(3)	Tin foil, powders and flakes
	687.2(4)	Tubes, pipes, blanks and fittings therefor, hollow bars of tin
688		<i>Uranium and thorium and their alloys</i>
	688.0	Uranium and thorium and their alloys
689		<i>Miscellaneous non-ferrous base metals employed in metallurgy</i>
	689.3	Magnesium and beryllium
	689.3(1)	Magnesium, unwrought
	689.3(2)	Magnesium, wrought
	689.3(3)	Beryllium
	689.4	Tungsten, molybdenum and tantalum
	689.4(1)	Tungsten (wolfram)
	689.4(2)	Molybdenum
	689.4(3)	Tantalum
	689.5	Base metals, n.e.s.
<b>DIVISION 69. MANUFACTURES OF METAL, N.E.S.</b>		
691		<i>Finished structural parts and structures, n.e.s.</i>
	691.1	Finished structural parts and structures of iron or steel
	691.2	Finished structural parts and structures of aluminium
	691.3	Finished structural parts of zinc
692		<i>Metal containers for storage and transport</i>
	692.1	Tanks, vats and reservoirs for storage or manufacturing use
	692.1(1)	Tanks, etc. for storage or manufacturing use of iron or steel
	692.1(2)	Tanks, etc. for storage or manufacturing use of copper
	692.1(3)	Tanks, etc. for storage or manufacturing use of aluminium
	692.2	Casks, drums, boxes, cans and similar commercial containers used for transport of goods
	692.2(1)	Casks, drums, etc. used for transport of goods of iron or steel
	692.2(2)	Casks, drums, etc. used for transport of goods of aluminium
	692.3	Compressed gas cylinders
	692.3(1)	Compressed gas cylinders of iron or steel
	692.3(2)	Compressed gas cylinders of aluminium
693		<i>Wire products (excluding electric) and fencing grills</i>
	693.1	Wire cables, ropes, plaited bands, slings and similar articles, not insulated

	693.1(1)	— of iron or steel
	693.1(2)	— of copper
	693.1(3)	— of aluminium
693.2		Wire of iron or steel, of types used for fencing
693.3		Gauze, netting, grill, fencing, etc. of wire
	693.3(1)	— of iron or steel
	693.3(2)	— of copper
	693.3(3)	— of aluminium
693.4		Expanded metal
	693.4(1)	— of iron or steel
	693.4(2)	— of copper
	693.4(3)	— of aluminium
694		<i>Nails, screws, nuts, bolts, rivets and similar articles of iron, steel or of copper</i>
694.1		Nails, tacks, staples, spikes, etc.
	694.1(1)	— of iron or steel
	694.1(2)	— of copper
694.2		Nuts, bolts, screws, rivets, washers, etc.
	694.2(1)	— of iron or steel
	694.2(2)	— of copper
695		<i>Tools for use in the hand or in machines</i>
695.1		Hand tools of a kind mainly used in agriculture or forestry
695.2		Other tools for use in the hand or in machines
	695.2(1)	Hand saws and saw blades
	695.2(2)	Pliers, pincers, spanners, wrenches, metal cutting shears, files, rasps, etc.
	695.2(3)	Hand tools, etc., n.e.s.
	695.2(4)	Interchangeable tools for hand or machine tools
	695.2(5)	Cutting blades for machines
	695.2(6)	Tool tips, etc., unmounted, of sintered metal carbides
696		<i>Cutlery</i>
696.0		Cutlery
	696.0(1)	Knives
	696.0(2)	Knife blades
	696.0(3)	Razors and razor blades
	696.0(4)	Scissors and their blades
	696.0(5)	Other articles of cutlery (clippers, cleavers, etc.)
	696.0(6)	Spoons, forks and similar tableware
	696.0(7)	Handles for cutlery of base metal
697		<i>Household equipment of base metals</i>
697.1		Domestic stoves, boilers, cookers, ovens, space heaters, n.e.s.
	697.1(1)	— of iron or steel
	697.1(2)	— of copper
697.2		Domestic utensils of base metals
	697.2(1)	— of iron or steel
	697.2(2)	— of copper
	697.2(3)	— of aluminium
697.9		Other household equipment of base metals
	697.9(1)	Steel wool, pot scourers and polishing pads of iron or steel
	697.9(2)	Indoor ornaments of base metals, n.e.s.
	697.9(3)	Picture frames and mirrors of base metals
698		<i>Manufactures of metal, n.e.s.</i>
698.1		Locksmiths' wares
	698.1(1)	Locks, padlocks and keys therefor of base metal

698.1(2)	Base metal fittings and mountings of types largely used on furniture, doors, etc. (e.g., hinges, catches)
698.2	Safes, strong-rooms, strong room fittings and strong boxes of base metal
698.3	Chain and parts thereof of iron or steel
698.4	Anchors, grapnels and parts thereof of iron or steel
698.5	Pins and needles of iron or steel and base metal fittings of a kind commonly used for articles of apparel, travel goods, etc.
698.5(1)	Needles for hand sewing, knitting, netting, etc. of iron or steel
698.5(2)	Pins, hairpins and curling grips of iron or steel
698.5(3)	Clasps, hooks, eyes, buckles, etc. of base metal
698.6	Springs and leaves for springs of iron, steel or copper
698.6(1)	— of iron or steel
698.6(2)	— of copper
698.8	Miscellaneous articles of base metal
698.8(1)	Chain and parts thereof of copper
698.8(2)	Flexible tubing and piping of base metal
698.8(3)	Beads and spangles of base metal
698.8(4)	Bells (non-electric), of base metal
698.8(5)	Stoppers, crown corks, bottle caps, etc. of base metal
698.8(6)	Name plates, sign plates, etc. of base metal
698.8(7)	Soldering and welding rods, etc. of base metal or of metal carbides
698.9	Articles of base metals, n.e.s.
698.9(1)	Articles of iron or steel (excluding castings and forgings in the rough state), n.e.s.
698.9(2)	Articles of copper, n.e.s.
698.9(3)	Articles of nickel, n.e.s.
698.9(4)	Articles of aluminium, n.e.s.
698.9(5)	Articles of magnesium, n.e.s.
698.9(6)	Articles of lead, n.e.s.
698.9(7)	Articles of zinc, n.e.s.
698.9(8)	Articles of tin, n.e.s.

# DIVISION 71. MACHINERY, OTHER THAN ELECTRIC

711

## *Power generating machinery, other than electric*

711.1

Steam generating boilers

711.2

Boiler house plant (including economizers, superheaters, condensers, soot removers, gas recoverers and related items)

711.3

Steam engines (including stationary steam engines with self-contained boilers (generally known as locomobiles) and steam turbines)

711.3(1)

Steam engines incorporating boilers

711.3(2)

Steam engines not incorporating boilers

711.4

Aircraft engines (including jet propulsion engines)

711.4(1)

Internal combustion engines for aircraft

711.4(2)

Jet and gas turbines for aircraft

711.5

Internal combustion engines, other than for aircraft

711.6

Gas turbines, other than for aircraft

711.7

Nuclear reactors

711.8

Engines, n.e.s. (wind engines, hot air engines, water wheels and water turbines)

711.8(1)

Water turbines and other water engines

711.8(9)

Other engines, n.e.s.

712

## *Agricultural machinery and implements*

712.1

Agricultural machinery and appliances for preparing and cultivating the soil

712.1

712.2	Agricultural machinery and appliances for harvesting, threshing and sorting
712.3	Milking machines, cream separators and other dairy-farm equipment
712.3(1)	Cream separators
712.3(9)	Other dairy machinery
712.5	Tractors, other than road tractors for tractor-trailer combinations
712.9	Agricultural machinery and appliances, n.e.s.
712.9(1)	Presses for wine-making, etc.
712.9(9)	Other agricultural machinery
714	<i>Office machines</i>
714.1	Typewriters and cheque-writing machines
714.2	Calculating machines, accounting machines and similar machines incorporating a calculating device (including electronic computers)
714.3	Statistical machines, e.g., calculating from punched cards or tape
714.9	Office machines, n.e.s.
714.9(1)	Duplicating, addressing, etc. machines
714.9(2)	Parts of office machinery, n.e.s.
715	<i>Metalworking machinery</i>
715.1	Machine-tools for working metals
715.2	Metalworking machinery, other than machine-tools
715.2(1)	Converters, ladles, ingot moulds and casting machines
715.2(2)	Rolling mills and rolls therefor
715.2(3)	Gas operated welding, cutting, etc. appliances
717	<i>Textile and leather machinery</i>
717.1	Textile machinery
717.1(1)	Spinning, extruding, etc. machines
717.1(2)	Weaving, knitting, etc. machines
717.1(3)	Machines auxiliary to those of heading 717.1(2)
717.1(4)	Machinery for the manufacture or finishing of felt
717.1(5)	Textile bleaching, washing, dressing, coating, printing, etc. machinery (excluding domestic washing machines)
717.2	Machinery (excluding sewing machines) for preparing, tanning or working hides, skins or leather
717.3	Sewing machines
718	<i>Machines for special industries</i>
718.1	Paper mill and pulp mill machinery, paper cutting machinery and other machinery for the manufacture of paper articles
718.1(1)	Machinery for making or finishing cellulosic pulp, paper or paperboard
718.1(2)	Paper cutting machines and other machinery for the manufacture of articles of paper pulp, paper or paperboard
718.2	Printing and bookbinding machinery
718.2(1)	Bookbinding machinery
718.2(2)	Type making and setting machinery, etc.
718.2(9)	Other printing machinery, n.e.s.
718.3	Food-processing machines (excluding domestic)
718.3(1)	Machinery for milling grain, etc.
718.3(9)	Other food-processing machines (excluding domestic)
718.4	Construction and mining machinery, n.e.s.
718.4(1)	Road rollers, mechanically propelled
718.4(2)	Excavating, levelling, boring, etc. machinery
718.5	Mineral crushing, sorting and moulding machinery; glass-working machinery



	718.5(1)	Mineral crushing, sorting, etc. machinery
	718.5(2)	Glass-working machinery
719		<i>Machinery and appliances (other than electrical) and machine parts, n.e.s.</i>
719.1		Heating and cooling equipment
	719.1(1)	Gas generators
	719.1(2)	Air-conditioning machines
	719.1(3)	Furnace burners, mechanical stokers, etc.
	719.1(4)	Industrial and laboratory furnaces and ovens, non-electric
	719.1(5)	Refrigerators (other than domestic) and other refrigerating equipment, whether or not electrical
	719.1(9)	Other apparatus for treating materials with heat or cold (excluding domestic equipment)
719.2		Pumps and centrifuges
	719.2(1)	Pumps for liquids
	719.2(2)	Pumps for gases, etc.
	719.2(3)	Centrifuges (other than cream separators) and filtering and purifying machinery for liquids and gases
719.3		Mechanical handling equipment
	719.3(1)	Lifting and loading machinery
	719.3(2)	Fork lift trucks and other industrial trucks of a kind used for moving goods within a plant
719.4		Domestic appliances, non-electrical
	719.4(1)	Domestic food-processing appliances, non-electrical
	719.4(2)	Domestic refrigerators, non-electrical
	719.4(3)	Domestic water heaters, non-electrical
719.5		Powered-tools, n.e.s.
	719.5(1)	Machine-tools for working minerals
	719.5(2)	Machine-tools for working wood, plastics, etc.
	719.5(3)	Motorised hand-tools, non-electrical
	719.5(4)	Parts and accessories of machine-tools
719.6		Other non-electrical machines
	719.6(1)	Calendering machines and similar rolling machines, n.e.s. and cylinders therefor
	719.6(2)	Machines for cleaning or filling bottles or other containers, packaging machinery, etc.
	719.6(3)	Weighing machinery and weights therefor
	719.6(4)	Spraying machinery
	719.6(5)	Automatic vending machines
	719.6(6)	Railway and tramway track fixtures and fittings, etc.
719.7		Ball, roller or needle-roller bearings
719.8		Machinery and mechanical appliances, n.e.s.
719.9		Parts and accessories of machinery, n.e.s.
	719.9(1)	Moulding boxes for metal foundry and moulds, other than ingot moulds
	719.9(2)	Taps, cocks, valves and similar appliances, n.e.s.
	719.9(3)	Transmission shafts and cranks, pulleys, etc.
	719.9(4)	Metal-plastic joints (gaskets)
	719.9(9)	Machinery parts, non-electrical, n.e.s.

## DIVISION 72. ELECTRICAL MACHINERY, APPARATUS AND APPLIANCES

722

### *Electric power machinery and switchgear*

722.1	Electric power machinery
722.2	Electrical apparatus for making and breaking or for protecting electrical circuits (switchgear, etc.)

723		<i>Equipment for distributing electricity</i>
	723.1	Insulated wire and cable
	723.2	Electrical insulating equipment
	723.2(1)	Electrical insulators
	723.2(2)	Other insulating fittings for electrical equipment
	723.2(3)	Electrical conduit tubing and joints therefor, of base metal lined with insulating material
724		<i>Telecommunications apparatus</i>
	724.1	Television broadcast receivers, whether or not combined with gramophone or radio
	724.2	Radio broadcast receivers, whether or not combined with gramophone
	724.9	Telecommunications equipment, n.e.s.
	724.9(1)	Electrical line telephone and telegraph equipment
	724.9(2)	Microphones, loudspeakers and amplifiers
	724.9(9)	Other telecommunications equipment
725		<i>Domestic electrical equipment</i>
	725.0	Domestic electrical equipment
	725.0(1)	Domestic refrigerators, electrical
	725.0(2)	Domestic washing machines, whether or not electrical
	725.0(3)	Electro-mechanical domestic appliances, n.e.s.
	725.0(4)	Electric shavers and hair clippers
	725.0(5)	Electric space heating equipment, etc.
726		<i>Electric apparatus for medical purposes and radiological apparatus</i>
	726.1	Electro-medical apparatus
	726.2	X-ray apparatus
729		<i>Other electrical machinery and apparatus</i>
	729.1	Batteries and accumulators
	729.1(1)	Primary batteries and cells
	729.1(2)	Electric accumulators (storage batteries)
	729.2	Electric lamps
	729.3	Thermionic, etc. valves and tubes, photocells, transistors, etc.
	729.4	Automotive electrical equipment
	729.4(1)	Electrical starting and ignition equipment for internal combustion engines
	729.4(2)	Electrical lighting, etc. equipment for vehicles
	729.5	Electrical measuring and controlling instruments and apparatus
	729.5(1)	Electricity supply meters
	729.5(2)	Other electrical measuring and controlling instruments and apparatus
	729.6	Electro-mechanical hand tools
	729.7	Electron and proton accelerators
	729.9	Electrical machinery and apparatus, n.e.s.
	729.9(1)	Electro-magnets, permanent magnets and electromagnetic appliances
	729.9(2)	Electric furnaces, electric welding and cutting apparatus
	729.9(3)	Electric traffic control equipment
	729.9(4)	Electric sound or visual signalling apparatus, n.e.s.
	729.9(5)	Electrical condensers (capacitors)
	729.9(6)	Electrical carbons
	729.9(8)	Electrical parts of machinery and appliances, n.e.s.
	729.9(9)	Other electrical goods and apparatus, n.e.s.

		<b>DIVISION 73. TRANSPORT EQUIPMENT</b>
<b>731</b>		<i>Railway vehicles</i>
731.1		Railway locomotives, steam, and tenders therefor
731.2		Railway locomotives, electric, other than self-generating
731.3		Railway locomotives, other than steam or electric
731.4		Mechanically-propelled railway and tramway cars, passenger, freight or maintenance
731.5		Railway and tramway passenger cars (coaches) not mechanically propelled (including special purpose coaches for passenger service such as luggage vans, travelling post offices, etc.)
731.6		Railway and tramway freight and maintenance cars, not mechanically propelled
	731.6(1)	Railway and tramway service vehicles
	731.6(2)	Railway and tramway goods wagons (freight cars)
	731.6(3)	Road-rail and similar containers
731.7		Parts of railway locomotives and rolling-stock, n.e.s.
<b>732</b>		<i>Road motor vehicles</i>
732.1		Passenger motor cars (other than buses or special vehicles), whether or not assembled
732.2		Buses (including trolleybuses), whether or not assembled
732.3		Lorries and trucks (including ambulances, etc.), whether or not assembled
732.4		Special purpose lorries, trucks and vans, whether or not assembled
732.5		Road tractors for tractor-trailer combinations
732.6		Chassis with engines mounted of a kind used for vehicles of heading 732.1
732.7		Other chassis with engines mounted
732.8		Bodies, chassis, frames and other parts of motor vehicles other than motorcycles (not including rubber tyres, engines, chassis with engines mounted, electrical parts)
	732.8(1)	Bodies for motor vehicles other than for motorcycles
	732.8(9)	Other parts for motor vehicles other than for motorcycles
732.9		Motorcycles, motorized cycles and their parts
	732.9(1)	Motorcycles, auto-cycles, etc. and side-cars
	732.9(2)	Parts solely for use of vehicles of heading 732.9(1)
<b>733</b>		<i>Road vehicles other than motor vehicles</i>
733.1		Bicycles and other cycles, not motorized, and their parts
	733.1(1)	Cycles, not motorized
	733.1(2)	Parts of vehicles of headings 733.1(1) and 733.4
733.3		Trailers and other vehicles, not motorized, and their parts
733.4		Invalid carriages, fitted with means of mechanical propulsion
<b>734</b>		<i>Aircraft</i>
734.1		Aircraft, heavier-than-air
734.9		Airships, balloons and parts of aircraft, airships and balloons (not including rubber tyres, engines or electrical parts)
	734.9(1)	Airships and balloons
	734.9(2)	Parts of aircraft, airships and balloons (not including rubber tyres, engines or electrical parts)
<b>735</b>		<i>Ships and boats</i>
735.1		Warships of all kinds
735.3		Ships and boats, other than warships
735.8		Ships, boats and other vessels for breaking up
735.9		Ships and boats, n.e.s.
	735.9(1)	Tugs
	735.9(2)	Special purpose vessels (e.g., light-vessels, dredgers, etc.)
	735.9(3)	Floating structures, other than vessels (e.g., coffer-dams, buoys, landing stages, etc.)

**9. Map of Côte D'Ivoire** (Canadian Council of Africa,  
[http://www.ccafrica.ca/country/cotedivoire/map\\_political.jpg](http://www.ccafrica.ca/country/cotedivoire/map_political.jpg), read 05.05.08)



Base 801086 (B00473) 2-88